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United States Department of Justice
Federal Bureau of Investigation

The FBI Drug Program

contributing to a Drug-Free America

J1.14/2:

FBI Drug Program

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Introduction to FBI Drug Program

The mission of the FBI Drug Program is embodied in the FBI's National Drug Strategy (NDS). The NDS was derived from an in-depth review and analysis of the problems drug trafficking presents to American society; drug trafficking patterns; and, the proper role for the FBI in supply reduction. The NDS is based on the premise that the FBI's limited resources must be utilized effectively and efficiently to achieve the highest impact possible on drug trafficking—supply reduction—and the attendant criminal and societal problems associated with drug trafficking. The NDS targets major, multijurisdictional drug trafficking organizations through long-term, sustained investigations with the intention of dismantling trafficking networks, arresting their leadership, and seizing and forfeiting their ill-gotten gains. The NDS is structured to enhance the FBI's drug intelligence base; identify trends and make projections regarding the structure, methodology and trafficking activities of drug organizations; concentrate resources in major centers of drug trafficking activity; and, provide assistance to other law enforcement agencies.

These closely-focused complex investigations target organizations rather than individuals. Investigations are initiated based upon analysis of intelligence information demonstrating the significance of an organization rather than simply on targets of opportunity of lesser import. The benefits of this approach are based on the FBI's experience and expertise developed through investigations of traditional organized crime organizations. The neutralization of organizations yields the greatest and most lasting results. This is the extra dimension that the FBI, through its NDS, brings to supply reduction. It is both an addition as well as a supplement to the investigative thrust of other agencies that emphasize and concentrate their efforts on arresting individual traffickers and confiscating drugs.

History of FBI Involvement in Drug Enforcement

A. Historical: Pre-January 28, 1982

1. FBI files indicate that as early as 1932, and several times thereafter, Presidential Advisory Commissions, the U.S. Congress and the Department of Justice proposed that the FBI assume jurisdiction for drug matters. Throughout these years, the FBI promptly disseminated drug intelligence to Federal, state and local agencies. Drug-related information was initially disseminated to the Department of Treasury, to the Federal Bureau of Narcotics (later renamed the Bureau of Narcotics and Dangerous Drugs (BNDD)) and after July 1, 1973, to the Drug Enforcement Administration (DEA).
2. Reorganization Plan No. 1 of 1968 established the BNDD, consolidating all drug enforcement matters under the Department of Justice (DOJ). Section 5 of the Reorganization Plan provides:

> **Performance of transferred functions.** The Attorney General may from time to time make such provisions as he shall deem appropriate authorizing the performance of any of the functions transferred to him by the provisions of this reorganization plan by any officer, employee, or organizational entity of the Department of Justice. [**Tab 1**]

3. Reorganization Plan No. 2 of 1973 established DEA and delegated drug interdiction authority to the Department of Treasury.

Section 6 of the Reorganization Plan provides:

> **Performance of transferred functions.** (a) The Attorney General may from time to time make such provisions as he shall deem appropriate authorizing the performance of any of the functions transferred to him by the provisions of this Reorganization Plan by any officer, employee, or agency of the Department of Justice. [**Tab 2**]

Section 7 of the Reorganization Plan provides:

> **Coordination.** The Attorney General, acting through the Administrator and such other officials of the Department of Justice as he may designate, shall provide for the coordination of all drug law enforcement functions vested in the Attorney General so as to ensure maximum cooperation between and among the Administration, the Federal Bureau of Investigation, and other units of the Department involved in the performance of these and related functions.

4. In September 1977, the Attorney General, at the request of the FBI and DEA, approved the establishment of joint formalized FBI/DEA investigative task forces in Chicago, Los Angeles and New York. In June 1979, the formalized structure was terminated in favor of increased utilization of informal task forces between the FBI and DEA.
5. Numerous studies were conducted to define the FBI's role in Federal drug law enforcement and the FBI's relationship with DEA. On June 22, 1981, former Attorney General William French Smith appointed a committee composed of DOJ, DEA and FBI officials "to study and to report to me concerning the most effective methods for coordinating DEA and FBI drug enforcement efforts . . . ." [**Tab 3**]

   On November 16, 1981, the committee filed a report containing the following recommendations:

   a. DEA should continue intact as a law enforcement agency headed by an Administrator. However, the Administrator of DEA should report to the Department of Justice through the Director of the FBI.
   b. The Attorney General should establish a Departmental Committee on Drug Enforcement.
   c. The Attorney General should assign to the FBI jurisdiction over violations of the Federal criminal drug laws concurrent with the jurisdiction of DEA.
   d. The Director of the FBI should assure that maximum available FBI resources are used effectively to supplement DEA's existing resources and expertise.
   e. The Administrator of DEA, subject to the general supervision of the Director of the FBI, should develop strategies for joint DEA-FBI drug enforcement efforts and should assure that DEA is organized in the manner most conducive to effective drug enforcement.
   f. The minimum qualifications for future DEA agents should conform to those of the FBI.
   g. The Department of Justice should seek legislation providing DEA the management flexibility and the employee benefits available to the FBI under the excepted service.

h. Appropriate cross-training and rotation programs for DEA and FBI agents should be developed and implemented.

i. The Director of the FBI and the Administrator of DEA should make every effort to use the resources of both agencies to achieve economies of scale and other administrative efficiencies.

j. DEA should continue its regulatory and compliance activities.

k. The Attorney General should make every effort to coordinate the drug enforcement efforts of all relevant Departments of government.

Most of the above recommendations have been adopted.

6. On January 21, 1982, Attorney General Smith held a press conference to announce that he was assigning the FBI jurisdiction to investigate Federal criminal drug offenses. He also announced that the President would nominate then Executive Assistant Director Francis M. Mullen, Jr., FBI, to be the Administrator of the DEA. [**Tab 4**]

B. Jurisdictional Authority: Post-January 28, 1982

1. On January 28, 1982, former Attorney General Smith signed Department Order No. 968-82 entitled "Enforcement of the Criminal Drug Laws of the United States," delegating to the FBI concurrent jurisdiction with DEA over Federal criminal drug laws (Title 21, United States Code (USC)). [**Tab 5**]

a. Department Order No. 968-82 was published at 47 FR 4989, on February 3, 1982. [**Tab 6**]

b. By letter dated February 19, 1982, former Attorney General Smith articulated his reasons why the FBI was given concurrent jurisdiction. He stated that the management reorganization was required because of the rapidly growing drug underground industry and the fact that there was a limited number of DEA agents available. In addition, he stated that drug cartels were becoming increasingly sophisticated and the successful arrest and prosecution of the central figures required specialized enforcement. Attorney General Smith noted the FBI's prowess in conducting long-term electronic surveillance, accounting and familiarity with investment banking. He also pointed out that an estimated 25 percent of drug investigations involved traditional organized crime and cases of public corruption. [**Tab 7**]

c. The parameters of the delegation were set forth on March 12, 1982, in the Implementation Directive for Concurrent Drug Investigative Jurisdiction Between the Drug Enforcement Administration and the Federal Bureau of Investigation. [**Tab 8**]

The mandate in the Implementation Directive was for the FBI to focus on complex conspiracy investigations utilizing the Continuing Criminal Enterprise (CCE, Title 21, USC, Section 848) and Racketeer Influenced and Corrupt Organizations (RICO, Title 18, Section 1963) statutes, recognizing the FBI's areas of expertise: the use of electronic surveillance; undercover operations; informants; physical surveillance; other complex investigative techniques; and, in particular, financial analysis.

(1) The delegation to the FBI of concurrent jurisdiction for Title 21 criminal drug laws is found at Title 28, Code of Federal Regulations (CFR), Section 0.85(a). [**Tab 9**]

(2) Additionally, as provided by the Implementation Directive, Title 28 CFR, Section 0.102 provides:

> **The Administrator of DEA shall perform his functions under the general supervision of the Director of the FBI and shall report through him to the Attorney General, the Deputy Attorney General and the Associate Attorney General, as appropriate. [Tab 10]**

d. Since 1982, the Administrator and the Deputy Administrator of the DEA, as well as other DEA officials, have been selected from FBI management ranks.

2. On October 14, 1982, the President announced the creation of the Presidential initiative to supplement ongoing efforts against organized criminal groups dealing in drugs. Twelve regional task forces were established and a thirteenth was subsequently added. The task forces are collectively referred to as the Organized Crime Drug Enforcement Task Forces (OCDETF).

Initially, OCDETF was principally composed of DOJ entities, including the FBI, DEA and United States Attorneys' Offices. OCDETF has since been expanded to include U.S. Treasury agencies, including the Internal Revenue Service, Bureau of Alcohol, Tobacco and Firearms, and U.S. Customs Service. The U.S. Coast Guard and Immigration and Naturalization Service have dedicated considerable resources to OCDETF. There are currently 11 Federal agencies included in OCDETF.

The initial funding for the FBI's drug law enforcement efforts came from the OCDETF Program in 1983. The FBI has found it necessary to reprogram approximately 60 percent of the Agents currently dedicated to the Drug Program from other investigative programs. This situation is graphically illustrated and fully described in the "Accomplishments" chapter beginning on page 34.

3. Various studies concerning the relationship between the FBI and DEA, including the possibility of merger, have been conducted. During March 1987, former Director William H. Webster outlined the steps necessary to accomplish the integration of the DEA into the FBI [**Tab 11**]. In April 1987, former Attorney General Edwin Meese III announced that the FBI and DEA would not be merged; however, he would continue to "press forward with efforts to integrate functions of the two that will promote cooperation and efficiency." [**Tab 12**]

FBI National Drug Strategy

A. Background

When the FBI received jurisdiction to investigate violations of the criminal drug laws in 1982, it had limited resources as well as a limited drug intelligence base concerning drug organizations other than traditional organized crime groups. Therefore, the initial cases conducted by the FBI were directed against organizations identified through the FBI's Organized Crime Program. These investigations added considerably to the intelligence base and an understanding of drug trafficking patterns and organizations; consequently, increasingly more complex drug trafficking organizations were identified. Based on this enhanced intelligence base and experience, the FBI, in 1986 formulated its National Drug Strategy (NDS) leading to a more effective focusing of resources on the highest level of drug trafficking organizations, both nationally and regionally. These sustained, long-termed cases are resource intensive, but the results are commensurate: the neutralization of the highest level of drug trafficking organizations and the seizure and forfeiture of their assets.

On May 7, 1986, the Director of the FBI, with the concurrence of the Attorney General and the acknowledgement of the Administrator of DEA, approved the FBI's NDS. The FBI's role in drug law enforcement is a well-defined one, concentrating resources on the highest levels of international and national drug trafficking. Each FBI field office has identified the most significant drug trafficking organizations within its territory and, to the extent possible, has directed its resources against those organizations. [**Tab 13**]

The mission of the FBI's NDS is to reduce the incidence of illegal drug trafficking and other criminal activity which drug trafficking generates in American society through investigations conducted on a systematic, coordinated and sustained basis.

B. Objectives

The NDS established five major objectives focusing the FBI's limited resources on those drug trafficking organizations which are responsible for controlling significant illegal drug trafficking activity in the United States. These objectives are:

1. Conduct investigations directed against major cocaine and heroin trafficking organizations on a nationwide basis, and seize their illegal profits through forfeiture proceedings;
2. Expand and enhance the existing drug intelligence base;
3. With DEA, identify trends and make projections of organized drug trafficking activities on a national basis;
4. Concentrate investigative resources in those areas of the country identified as major centers for organizations involved in the importation and distribution of cocaine and heroin; and
5. Provide assistance to other Federal, state and local law enforcement agencies investigating drug trafficking organizations operating in a local or regional area.

Although not a distinct objective, the FBI addresses money laundering as part of all its drug cases. The FBI views money laundering, like police and public corruption, as a supporting mechanism of the criminal conspiracy. When the FBI was charged with enforcing the Controlled Substances Act in 1982, the Bureau targeted money laundering as a separate and distinct violation within our Drug Program. The FBI discerned inadequacies in that approach, owing to the fact that money laundering is inextricably enmeshed in the overall drug conspiracy. Money launderers work at the behest of drug organizations. To address money laundering separately dilutes the impact of the principal strategic focus of our Drug Program: dismantling drug organizations, arresting their leadership, and then seizing and forfeiting their illicit profits. The FBI rectified this situation in 1986 with the adoption of its National Drug Strategy.

C. Priority Program Within the FBI

The FBI's Drug Program is one of the top five priority programs in the FBI. Approximately 14 percent of the FBI's investigative resources are dedicated to the Drug Program, the fourth largest complement of FBI agents. Other major programs include those addressing foreign counterintelligence, counterterrorism, traditional organized crime and white-collar crime.

Although the majority of resources directed into drug law enforcement investigations are within the FBI's Drug Program, other criminal programs are supportive of this effort. For example, corruption investigations are a high priority of the White-Collar Crime Program as well as the Drug Program. Successful investigations and prosecutions of police corruption stemming from drug trafficking activities have supported the FBI's overall effort in drug enforcement.

In a similar fashion, FBI resources within the Organized Crime Program are directed against traditional organized crime families. These investigations have uncovered a wide range of criminal activities including drug trafficking. Prosecutions of these organized crime families under the RICO statute focus on a wide variety of criminal activities including extortion, murder, labor racketeering and Controlled Substances Act violations. The FBI's extensive experience in the wide gamut of Federal violations ensures that all aspects of drug conspiracies are fully explored. This unique capability is underpinned by the FBI's multimission role.

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Investigative Approach to Drug Trafficking Organizations

A. Identification of Drug Trafficking Organizations

1. **Racketeering Enterprise Investigations (REIs):** REIs are criminal intelligence-gathering investigations intended to discern the composition, structure and activities of racketeering enterprises. The term "racketeering" is defined as any single criminal offense, including the violation of state law, encompassed by the RICO Statute, Title 18, USC, 1961. The term "racketeering enterprise" is defined as two or more persons engaged in a continuing course of conduct for the purpose of obtaining monetary or commercial gains or profits, wholly or in part, through racketeering activities.

   These investigations require the approval of the Director or designated Assistant Director and subsequent written notification to the Attorney General. They are conducted for an initial period of up to 180 days. An investigation may be continued upon renewed authorization for additional periods, each not to exceed 180 days. An REI collects information concerning:

   a. The members of the enterprise and other persons likely to be knowingly acting in the furtherance of racketeering activity, provided that the information concerns such persons' activities on behalf of or in furtherance of the enterprise;
   b. The finances of the enterprise;
   c. The geographical dimensions of the enterprise; and
   d. The past and projected future activities and goals of the enterprise.

An REI case is authorized only when there are facts and circumstances that "reasonably indicate" that an individual or individuals have been or are currently or will be involved in a "racketeering enterprise." All REIs are conducted in a manner consistent with legal and investigative guidelines established in The Attorney General's Guidelines on Criminal Investigations of Individuals and Organizations, dated 12/2/80, Part II of which deals specifically with REI matters.

2. **Informants and Cooperating Witnesses:** The FBI has over 3,500 informants who report on drug matters. Over 1,700 report exclusively on drug trafficking. There is also a substantial number of cooperating witnesses (CWs). Frequently, these persons are subjects of investigations who are attempting to mitigate their criminal liability. Informants and CWs are invaluable in that they can provide timely and intimate details of the structure and activities of drug trafficking organizations.

3. **Investigative Techniques:** Investigations of drug trafficking organizations produce evidence to support successful prosecutions as well as intelligence data that may have far reaching applications. Investigations of long-standing organizations require the use of specialized techniques which are resource intensive. Two of these techniques follow:

   a. *Electronic Surveillances:* Court-authorized electronic surveillances provide one of the most effective means for penetrating sophisticated drug trafficking organizations and networks. They provide the FBI with a window into some of the most secretive and insulated criminal enterprises operating not only in the United States, but on the international scene as well.

   This investigative technique allows the FBI to intercept even the most guarded criminal conversations of the leaders of drug trafficking groups, and provides strong evidence of the groups' structure, scope and finances. It is frequently impossible to obtain this type of inculpatory evidence through traditional investigative procedures. Electronic surveillance also presents a unique opportunity to develop evidence of drug trafficking, using the words and voices of the traffickers themselves.

   Members of drug organizations use a variety of communications facilities to carry out their illegal activities, as well as sophisticated means to attempt to defeat law enforcement efforts to monitor those conversations. The random use of public pay phones and mobile cellular phones are but two examples of the means by which these conspirators seek to avoid detection.

   In some instances, authority is sought to conduct both telephone and microphone surveillances. This can occur when drug traffickers grow wary of their telephones and begin to meet clandestinely to further their conspiratorial activities. When these situations are detected by investigators, normal telephone interception procedures are generally non-productive and court-authorized microphones must be covertly installed in their meeting places.

   In 1986, the FBI conducted 83 electronic surveillances to further investigations of the members and leaders of major drug trafficking organizations. In 1987, this number increased to 90; and by 1988 it expanded dramatically to 170 such electronic surveillances.

   An example of recent use of this valuable technique is the successful penetration of the Sicilian Mafia international heroin trafficking cartel. This investigation extended over two years and involved 39 separate electronic surveillances, five undercover operations, 14 FBI field offices, and several international law enforcement agencies. The case resulted in the execution of 63 arrest warrants in the United States, and 88 in Italy. It can be stated with confidence that a large number of those arrests would never have been possible but for electronic surveillance.

The conduct of electronic surveillance is extremely manpower intensive. It involves the development of the required legal predication for the use of this technique, the installation of surveillance equipment, supervision and monitoring of interceptions, transcription and analyses of conversations, and dissemination of intelligence and evidentiary data obtained from the interceptions to investigators and prosecutors. Ancillary to the interception process is a number of other collateral administrative and investigative functions. These include periodic reports to the authorizing court, duplications of pertinent recordings, sealing of original tape recordings, coverage of investigative leads, and physical surveillance of the targets of the interceptions in order to corroborate subsequent activities discussed during intercepted conversations.

In the Sicilian Mafia investigations described above, electronic surveillance involved 2,200 court-authorized interception days at a cost of $1.25 million. This does not include other costs, such as those related to physical surveillance and traditional investigative procedures. Prosecutive action has not been completed in this matter, but historical trends in cases where such electronic surveillance has been utilized are predictive of impressive conviction rates of top ranking conspirators and extremely high numbers of guilty pleas.

Graphic depictions of the approval and implementation process for court-authorized electronic surveillances are contained on the following pages.

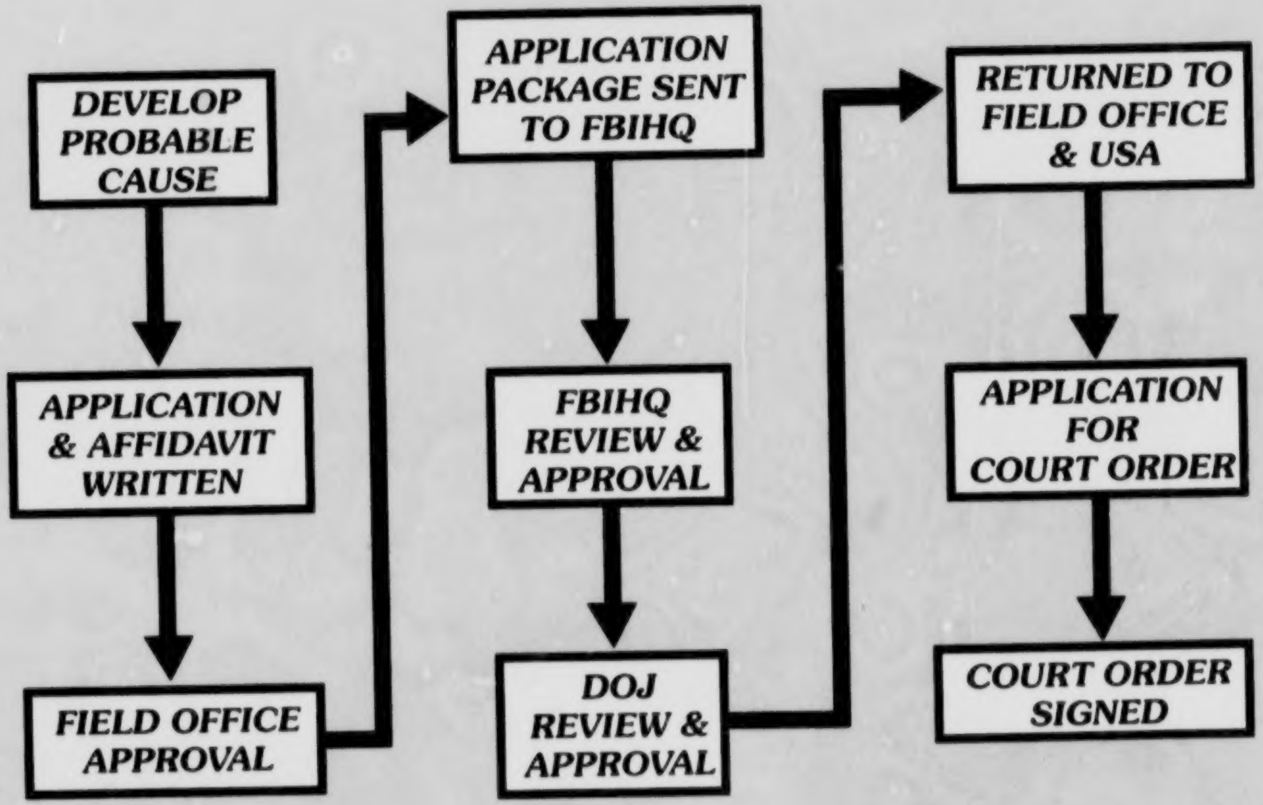
b. *Undercover Operations.* The FBI's authority to conduct undercover operations (UCOs) is set forth in the Attorney General's Guidelines on FBI Undercover Operations. Under these guidelines, an undercover employee is defined as any employee of the FBI or employee of a Federal, state or local law enforcement agency working under the direction and control of the FBI in a particular investigation, whose relationship with the FBI is concealed from third parties in the course of an investigative operation. This may include the use of a cover or alias identity. The following are two types of undercover activities pursued by the FBI:

(1) A Group I UCO is an operation that is basically long-term in nature, with funding that exceeds $50,000 ($20,000 in non-drug cases) or involves one of 12 sensitive circumstances defined in the guidelines. One example of a sensitive circumstance is an investigation in which a UCO addresses possible corrupt activities by public officials, foreign governments or political organizations. Another example of a sensitive circumstance is the investigation of money laundering operations in which an undercover agent participates in, or facilitates, the laundering of money.

Proposed Group I UCOs must be approved at FBIHQ. This process involves a presentation before the Criminal Undercover Operations Review Committee (CUORC) in order to obtain a recommendation for approval by the Assistant Director. In drug investigations, the Undercover and Sensitive Operations Unit and the Drug Section of the Criminal Investigative Division (CID) are involved with both

ELECTRONIC SURVEILLANCE

APPROVAL PROCESS



DEVELOP PROBABLE CAUSE

APPLICATION & AFFIDAVIT WRITTEN

FIELD OFFICE APPROVAL

APPLICATION PACKAGE SENT TO FBIHQ

FBIHQ REVIEW & APPROVAL

DOJ REVIEW & APPROVAL

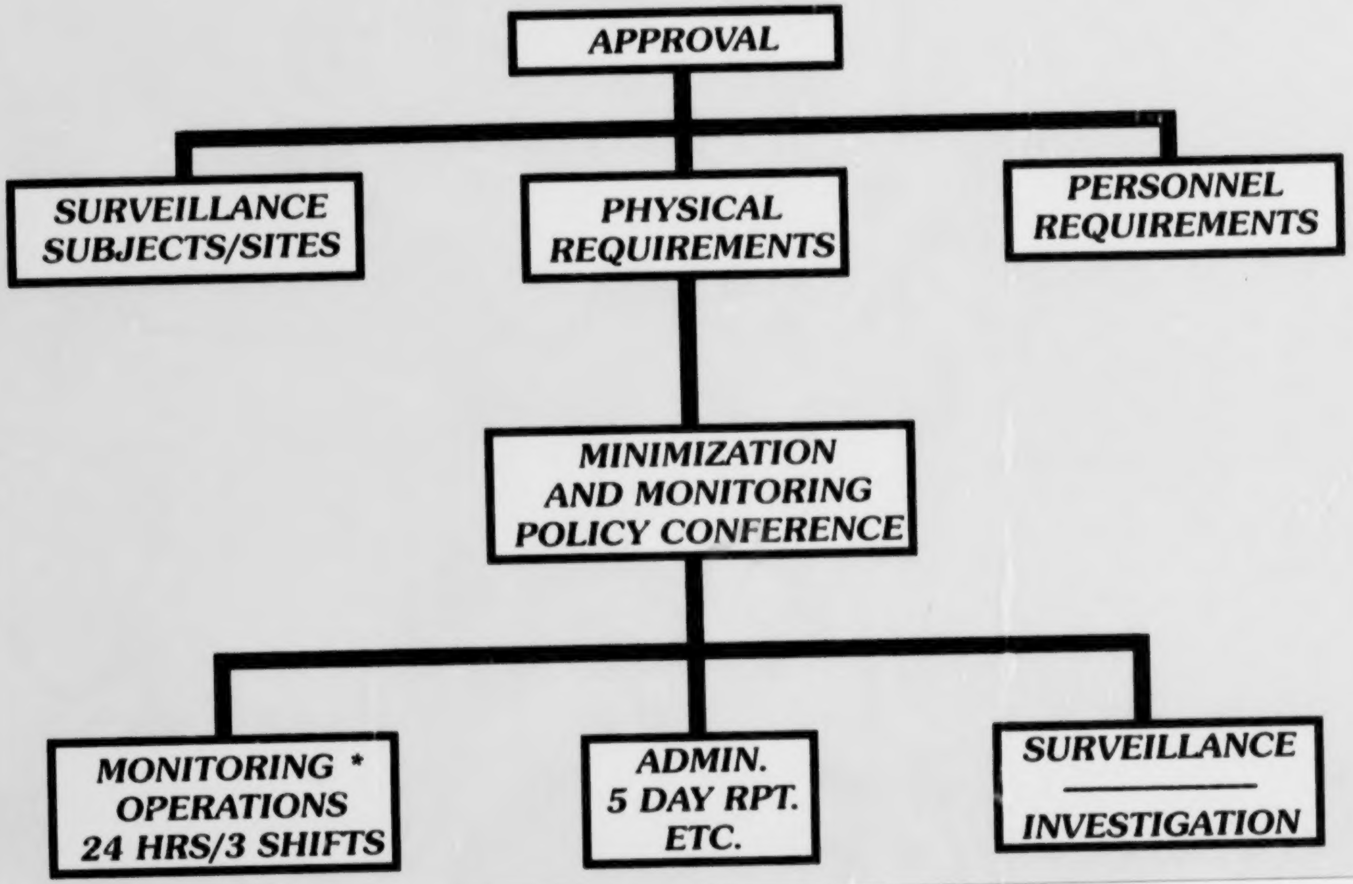
RETURNED TO FIELD OFFICE & USA

APPLICATION FOR COURT ORDER

COURT ORDER SIGNED

ELECTRONIC SURVEILLANCE   PHASE I

OPERATIONAL REQUIREMENTS



APPROVAL

SURVEILLANCE SUBJECTS/SITES

PHYSICAL REQUIREMENTS

PERSONNEL REQUIREMENTS

MINIMIZATION AND MONITORING POLICY CONFERENCE

MONITORING * OPERATIONS 24 HRS/3 SHIFTS

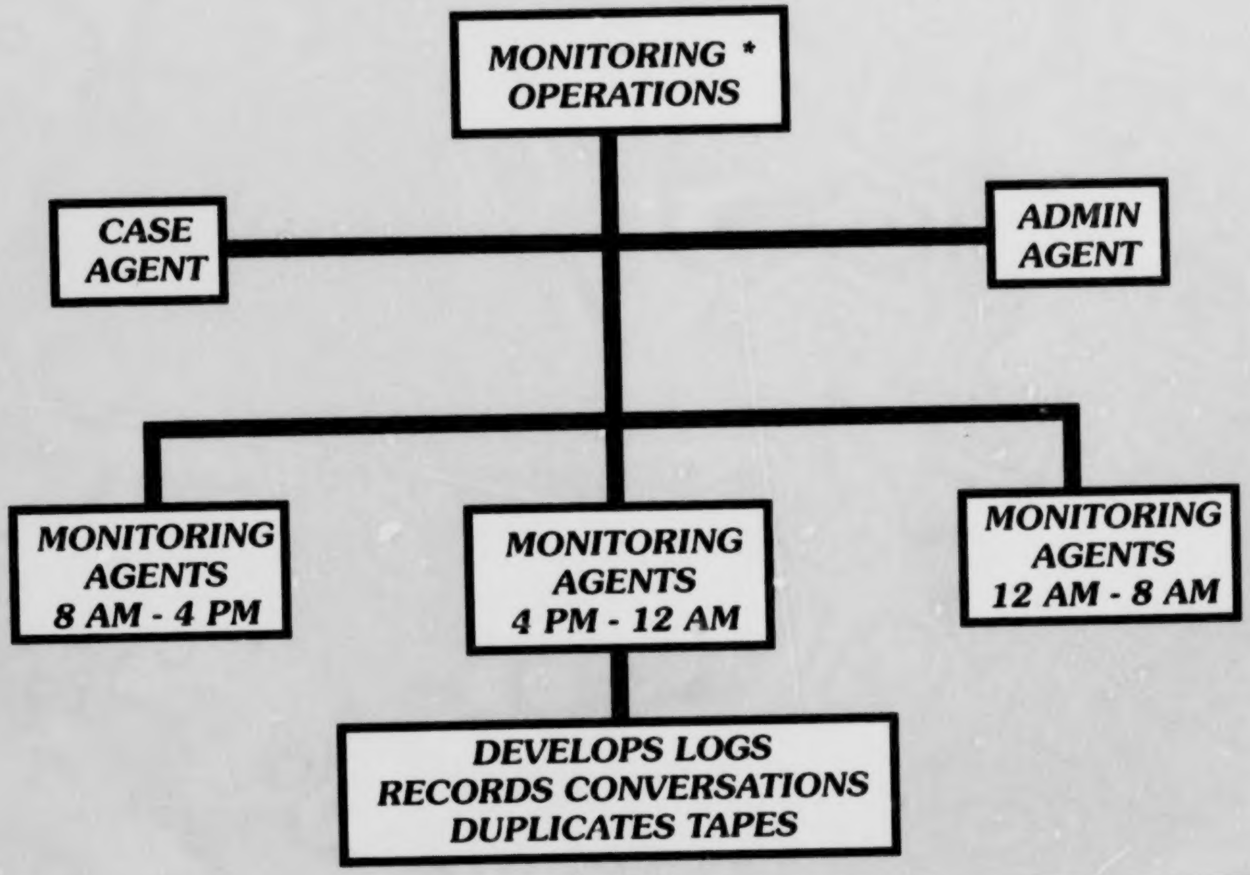
ADMIN. 5 DAY RPT. ETC.

SURVEILLANCE

INVESTIGATION

ELECTRONIC SURVEILLANCE   PHASE II

MONITORING REQUIREMENTS



MONITORING * OPERATIONS

CASE AGENT

ADMIN AGENT

MONITORING AGENTS 8 AM - 4 PM

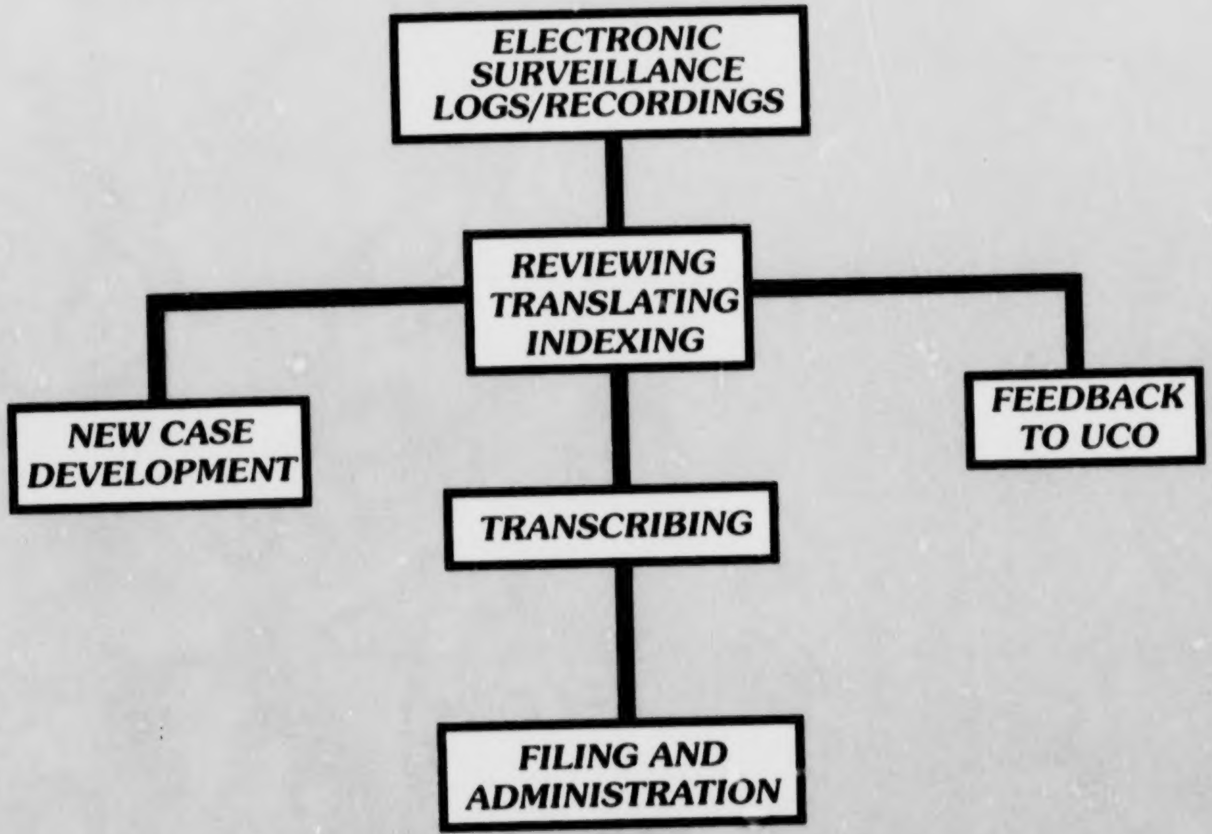
MONITORING AGENTS 4 PM - 12 AM

MONITORING AGENTS 12 AM - 8 AM

DEVELOPS LOGS
RECORDS CONVERSATIONS
DUPLICATES TAPES

ELECTRONIC SURVEILLANCE PHASE III

TRANSCRIPTION/CASE MANAGEMENT REQUIREMENTS



ELECTRONIC SURVEILLANCE LOGS/RECORDINGS

REVIEWING TRANSLATING INDEXING

NEW CASE DEVELOPMENT

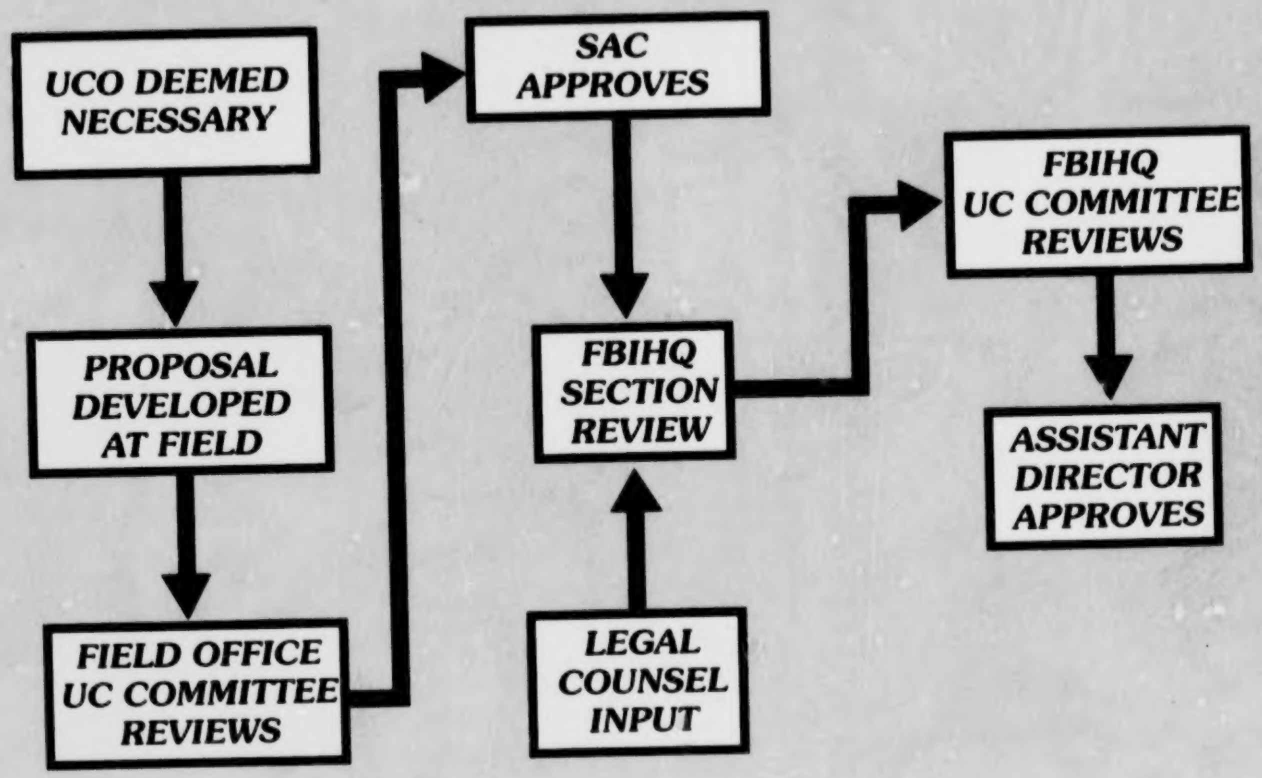
FEEDBACK TO UCO

TRANSCRIBING

FILING AND ADMINISTRATION

UNDERCOVER OPERATIONS

APPROVAL PROCESS



UCO DEEMED NECESSARY

PROPOSAL DEVELOPED AT FIELD

FIELD OFFICE UC COMMITTEE REVIEWS

SAC APPROVES

FBIHQ SECTION REVIEW

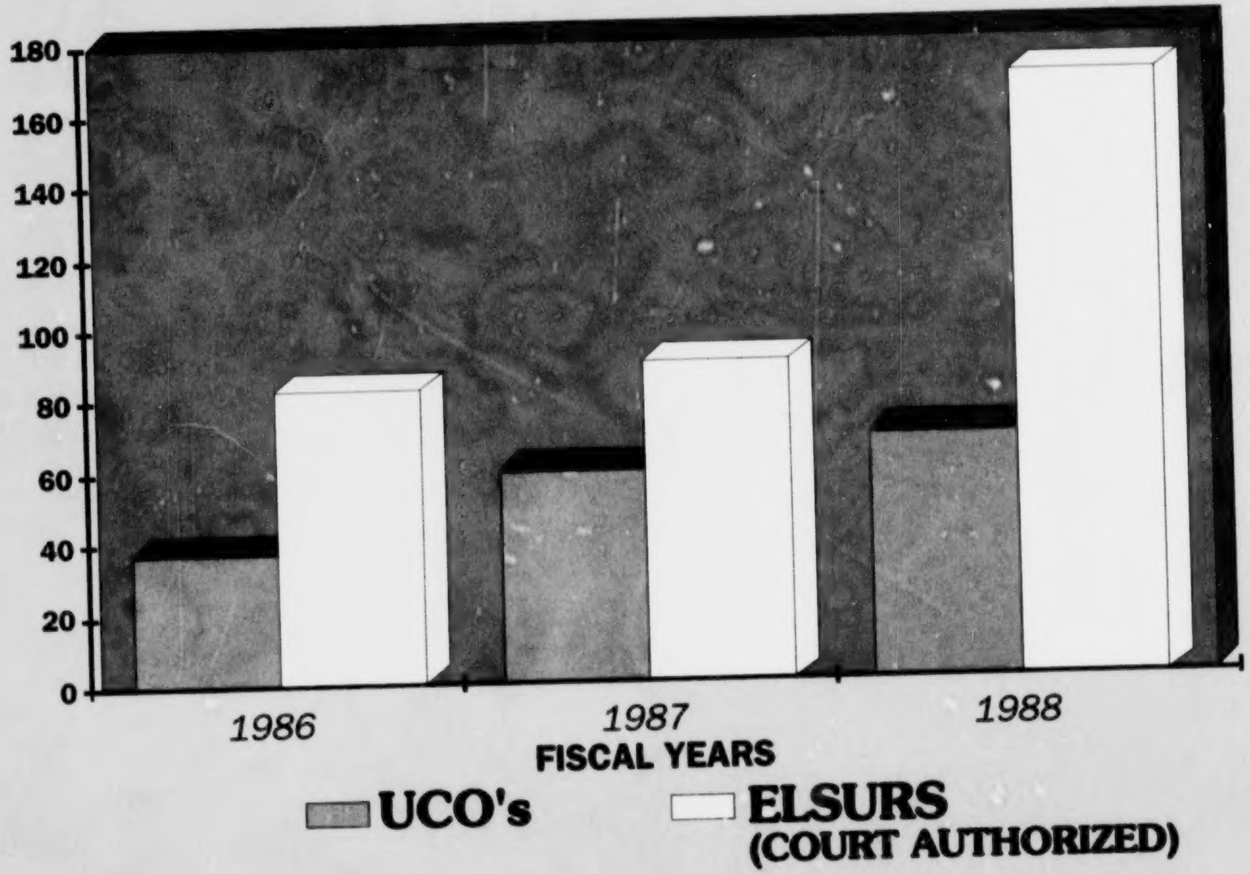
LEGAL COUNSEL INPUT

FBIHQ UC COMMITTEE REVIEWS

ASSISTANT DIRECTOR APPROVES

FBI DRUG PROGRAM

UNDERCOVER OPERATIONS AND ELECTRONIC SURVEILLANCES



the presentation of the proposal before the CUORC and with FBIHQ's oversight of the operation after its approval. Likewise, FBIHQ's Legal Counsel Division and Administrative Services Division support the CID in its oversight and administration of each project.

(2) A Group II UCO is an operation which is basically short-term in nature and is funded below the $50,000 level. Short term means less than six months.

The use of the Group II UCO technique in a particular investigation is first discussed at the squad level between the case Agent and the Supervisor. Thereafter, the facts of the investigation and the appropriateness of applying the undercover technique are discussed with the local United States Attorney's Office and with the field office's Principal Legal Advisor before its presentation to the field office Undercover Review Committee. If funding levels are below the Group I level and if there are no sensitive circumstances present, the field office's Special Agent in Charge may approve the project as a Group II UCO.

Situations arise in which it is advantageous to the objectives of an investigation for an Agent to maintain a cover or alias identity for a brief period. These undercover activities are not considered UCOs.

Examples of such undercover activities would include a payoff to a public official protecting an illicit operation or a "buy/bust"—a transaction during which an individual is arrested following the purchase of drugs or other contraband. The FBI seldom uses the buy/bust technique, except as a finale to an already probing long-term investigation.

Group I and Group II UCOs facilitate the penetration of drug trafficking organizations by FBI Agents. UCOs produce a great deal of intelligence information as well as evidence to support prosecution of the key leaders of these organizations. Undercover Agents interact directly with the organization members, giving them the opportunity to collect information on the inner workings of the group. Due to the sensitivity and inherent risks to the UCO Agent, undercover operations are only used against major drug traffickers or networks of traffickers in long-term, investigations after careful evaluation of risks and anticipated accomplishments. Between 1986 and 1988, the FBI conducted 167 Drug Program UCOs.

To facilitate the joint efforts of the FBI and DEA, an ongoing initiative to develop new undercover guidelines applicable to both agencies is nearing completion. FBIHQ management controls and administrative procedures relating to UCOs have been discussed with DEAHQ personnel.

A chart depicting the FBI approval process for Group I UCOs and a chart for court-authorized electronic surveillances and UCOs conducted in the FBI's Drug Program for FYs 1986-1988 are contained on pages 15 and 16.

4. **Liaison**

a. *DEA:* Mechanisms are in place to facilitate the exchange of intelligence between the FBI and DEA. This exchange occurs at both the Headquarters and field office levels. The FBI's Drug Intelligence Unit works closely with its counterpart at DEA Headquarters. In each of the FBI's 58 field offices, an Agent is designated for liaison with DEA. Information concerning the identity of persons under investigation is exchanged between the FBI and DEA at the initiation of each drug case and later when additional subjects of a case are identified. Details on another mutual operational initiative, referred to as the FBI/DEA Joint Drug Plan, are contained at page 24.

b. *Foreign.* Extensive intelligence has been obtained from foreign drug law enforcement agencies. Of note is the Italian/American Working Group (IAWG). The IAWG has fostered full sharing of intelligence. From these efforts, hundreds of arrests and convictions, both here and in Italy, of Sicilian Mafia members and associates have occurred.

Also of note is the Miami Joint Intelligence Working Group. This Working Group is composed of FBI and DEA agents and analysts. Using Miami as the model, there are also Joint Intelligence Working Groups in New York and Chicago. Additionally, a CIA senior intelligence analyst is detailed to the FBI's Drug Intelligence Unit, further solidifying the FBI's relationship with the Intelligence Community serving abroad. These efforts are discussed in more detail on page 22.

c. *Other Federal and local law enforcement agencies.* Through task forces, both drug and non-drug related, and routine assignments, FBI agents are in regular contact with other law enforcement officers. The information they provide adds to the FBI's drug intelligence base, aiding in the identification of drug trafficking groups. Agents, in turn, routinely share intelligence with police.

B. Selection of Priorities for Targeting

1. **Threat assessments**

a. *Cocaine.* Drug trafficking, identified by the President in 1986 as a threat to national security, is the most serious criminal problem facing the U.S. Cocaine trafficking and consumption is the most significant drug problem in the country. The FBI has identified Miami, Los Angeles and New York as primary international trafficking centers for cocaine.

b. *Heroin.* Heroin importation, distribution and consumption is the second most significant drug problem. There are an estimated half million heroin addicts in the U.S. New York City is the primary distribution point for heroin originating from Southeast and Southwest Asia. Mexican brown heroin and derivatives enter the U.S. from Mexico, primarily along the Southwest U.S. border region. The use of Mexican heroin is widespread, and purity levels have exceeded 90 percent in some instances. Although the heroin user population appears static, studies have demonstrated that the user population is increasingly responsible for an inordinate amount of various types of violent and property crimes.

2. **Level I and II designations of major distribution centers:** A detailed analysis of the scope of the overall drug problem has enabled the FBI to identify the following first-level distribution cities:

- Miami
- New York
- Los Angeles

From these first-level centers, drugs move intra- and interstate to second-level cities including:

- Boston
- Chicago
- Detroit
- Houston
- Newark
- San Diego
- San Francisco

In 1987 and 1988, approximately 20 percent of the FBI's Drug Program resources were reassigned to level I and II distribution cities in order to concentrate resources in major centers of drug trafficking activity.

C. Organizations Investigated

1. **Colombian/South American Organizations:** Cocaine has been identified as the primary drug problem facing the United States. Colombian/South American trafficking organizations control the importation and distribution of this drug. The FBI's intelligence base has identified over 250 Colombian/South American drug trafficking groups currently operating in the United States. Because of manpower constraints, the FBI has been able to address only approximately 50 percent of the organizations identified. In 1987, 38 percent of the FBI's investigative resources were directed against Colombian/South American drug trafficking organizations; in 1988, that percentage leveled at 35 percent.
2. **Mexican Organizations:** Mexican drug trafficking organizations are responsible for importation and distribution of brown and black-tar heroin, cocaine and marijuana. In addition to the production and importation of heroin, the Mexican groups are transshipping to the United States increasing amounts of South American cocaine. Their activities, once concentrated in the Southwest and Western United States, have now also spread across the country. The threat which Mexican drug organizations pose is underscored by the 1988 National Narcotics Intelligence Consumer Committee (NNICC) statistics indicating that such groups account for 30 percent of all heroin smuggled into this country. The FBI's intelligence base has previously identified about 95 Mexican drug trafficking organizations operating in the United States. Resource limitations do not permit all these organizations to be addressed. In FY 1987, 9 percent of the FBI's Drug Program investigative resources were directed against Mexican drug trafficking organizations; in 1988, that figure rose to 15 percent.
3. **European/Italian Organizations:** European/Italian drug trafficking activity has been associated traditionally with cities located in the northeastern United States. However, the FBI's intelligence base has determined that these organizations have become more geographically diverse.

   The Sicilian Mafia is now active in drug trafficking in numerous cities throughout the United States. They are primarily responsible for importing Southwest Asian heroin. Based upon NNICC heroin and morphine trafficking indicators for 1988, Southwest Asian heroin accounted for 27 percent of the heroin smuggled into the United States. Accompanying the drug trafficking activities of these groups are other attendant crimes such as corruption, money laundering and murder. The Sicilian Mafia factions in the United States are directly tied to the Mafia in Sicily which is, itself, highly factionalized. Italian authorities have identified 45 associated drug trafficking organizations in Palermo, Sicily, and an additional 64 Italian drug trafficking organizations, which are believed to be represented in the United States. Through investigation of the Sicilian Mafia, the FBI has uncovered an extensive conspiratorial relationship in the United States with other European/Italian drug trafficking groups: the 'Ndrangheta and La Camorra.

The FBI strives to fully identify these groups, their foreign and domestic contacts, and use this intelligence to support long-term, multijurisdictional investigations of these major drug trafficking enterprises. Due to lack of resources, only 16 of about 100 of these identified groups have been addressed. In 1987, 19 percent of the FBI's Drug Program investigative resources were directed against European/Italian drug trafficking organizations; in 1988, the figure was 15 percent.

4. **Asian Organizations:** Asian groups are rapidly emerging criminal organizations involved in drug trafficking and other related crimes. Recent cases have established their activity in San Francisco and Los Angeles, California, Washington, D.C., New York, New York, Boston, Massachusetts, and Houston, Texas. Expansion of the investigative effort and intelligence base is necessary to address these groups.

FBI intelligence, and that of other law enforcement agencies, clearly shows an indisputable correlation between Asian drug trafficking and the increasing illegal immigration to the United States of Asian criminals. Such groups have a significant share in trafficking in Southeast Asian heroin. Southeast Asian heroin represents 43 percent of the heroin market in the United States. In 1987, two percent of the FBI's Drug Program investigative resources were directed against Asian drug trafficking organizations; in 1988, Asian matters consumed five percent of investigative resources.

Asian drug activity is expected to pose an increasing domestic threat as Hong Kong comes under Chinese communist control by 1998. Exceptionally stringent enforcement measures characteristic of a communist society will likely drive Asian criminals to immigrate to the United States. This will compound FBI drug resource needs.

5. **Other significant, multijurisdictional emerging groups:** Other significant, multijurisdictional drug trafficking organizations are also a major crime problem in the United States. Although these groups may not be involved in the direct importation of drugs, they may be the dominant trafficking organizations in a geographic region. The threat they pose, combined with the inability of many local law enforcement agencies to conduct sustained multijurisdictional investigations, is a prime factor in determining the need for FBI involvement. In some instances, corruption of local officials has precluded effective local investigation of these organizations.

Emerging gangs, such as the Los Angeles-based "Bloods" and "Crips," have become multikilogram entrepreneurs who deal directly with major Colombian and Mexican drug trafficking organizations as their source of supply for crack/cocaine. Jamaican posses have also emerged as major drug trafficking organizations. In the past two years, the use of crack has become pandemic in inner-cities, contributing to record high homicide rates and violence. Additionally, recent information indicates a new trend by inner-city drug users of mixing crack and heroin, a particularly dangerous development resulting in the leading cause of drug overdoses in Washington, D.C. in 1988. Nationwide, the FBI is addressing these aspects of the gang-related drug problems.

Current Initiatives

A. Intelligence Enhancements

1. **The Italian/American Working Group (IAWG):** The IAWG is an international effort initiated by the FBI to enhance an already productive relationship with the Italian National Police (INP), the Guardia Di Finanza (GDF), the Carabinieri, and the Sevizio Centrale Antidroga (SCA), Italy's foreign drug coordinating agency. The FBI's leadership role has produced a "flash" computer system to facilitate the exchange of intelligence information, a reciprocal training program, and an FBI exchange of investigative personnel with the INP, Rome. The FBI's continued participation in the IAWG and our long-standing relationship with Italian police agencies have enhanced the FBI's REI Program directed at the Italian-based Sicilian Mafia, La Camorra and the 'Ndrangheta criminal organizations.

   The FBI's efforts in organized crime, international terrorism and drug enforcement have supported the successes achieved by the Italian government in these areas. Representatives of the Colombian government in 1988 attended an IAWG conference in Rome and common concerns and initiatives were discussed.

2. **The Joint Intelligence Working Group (JIWG):** FBI and DEA Agents and analysts share space in the FBI's Miami Office to collaborate on pursuing JIWG goals. Their primary role is to identify key sources of intelligence relating to the identity of major cocaine transporters and distributors. The JIWG maintains contact with approximately 30 sources residing outside the United

States, primarily in Colombia. Agents have traveled to Colombia and other South American countries in order to debrief these sources. JIWGs have also been formed in Chicago and New York. Plans are ongoing to expand the JIWGs to Houston, Los Angeles, San Antonio, and San Diego.

3. **CIA/FBI Intelligence Link:** Increased liaison with the CIA has resulted in the initiation of several operational projects. Several major problems, including the traditional handling of intelligence material which may become discoverable, continue to be addressed. As of July 1987, the CIA instituted a system to provide drug-related intelligence to the FBI and DEA via teletype. This information, referred to as the Criminal Intelligence Report (CIR), has proven to be a valuable resource for ongoing FBI operations.

4. **Drug Intelligence Unit (DIU):** In April 1987, when the Attorney General announced his decision that the FBI and DEA would not be merged, he directed that link-up efforts be continued, where doing so would promote FBI/DEA cooperation and efficiency. To this end, on January 8, 1988, an FBI Drug Intelligence Unit was formed and collocated within the Office of Intelligence, DEAHQ, to enhance FBI and DEA investigations. DIU subsequently relocated to FBIHQ where it has continued to assist in identifying trends and making projections of organized drug trafficking on a national basis.

5. **Drug Information System:** The FBI has developed a state-of-the-art automated information system to serve current and future requirements of a national, multiagency approach to Federal drug law enforcement. The system will have access capability to all existing automated drug systems, thus integrating functions that are now factionalized through several agencies and multiple systems designed for specific purposes that do not serve the needs of a unified intelligence system. This initiative will support the identification of organizations, aid in priority evaluations of the threat posed, assist in targeting organizations for investigation, support utilization of the most efficient and effective investigatory techniques, identify assets for seizure and forfeiture, and support the prosecution of drug trafficking organizations. The system will also augment interdiction efforts and interagency exchange of information. The total projected cost for DIS, including personnel resources, hardware and software development and maintenance over the next three years, is estimated at $17.2 million. The DOJ Assets Forfeiture Fund will offset the greater proportion of funding.

6. **FBI Project Tiger Paw, El Paso Intelligence Center:** During October 1984, the FBI initiated and funded a multimillion-dollar project code named Tiger Paw at the El Paso Intelligence Center. FBI engineers developed a computer software package capable of concurrently accessing separate computer data bases to be queried from one workstation for information concerning drug traffickers and the movement of drugs. This software brings together DEA's "in house" Intelligence Terminal Data Base and the Narcotics and Dangerous Drugs Information System, the Treasury Enforcement Communications System, and the Federal Aviation Administration's computer system of Airman and Aircraft Registry Files.

Since initial implementation, the FBI has added additional software improvements including worldwide mapping capabilities and a system to track ships and planes. The FBI ha also engineered a direction finder which is used in coordination with software mapping to calculate the location of ships and vessels using direction finding techniques. The FBI has purchased, and installed and maintained 13 integrated workstations at EPIC at a total cost to the FBI of approximately $3 million. The FBI also staffs EPIC with a Program Manager, two Senior Analysts, and two Communications Specialists.

7. **Racketeering Enterprise Investigations:** The FBI currently has 40 active REIs throughout the country that are identifying major drug trafficking groups. As an example, the Miami REI for Colombian drug trafficking organizations has identified over 200 such organizations operating in Miami alone. REIs have been found to be an effective and efficient way to identify and set priorities for the targeting of drug trafficking organizations. All FBI field offices are encouraged to use REIs for the identification of drug trafficking organizations operating within their territories.

B. Training

The FBI's Drug Training Program encompasses six major segments:

- New Special Agents' training
- Training for onboard Special Agents, supervisors, managers and executives in the field and at FBIHQ
- Instruction for state and local police officers as part of the FBI's National Academy course of study
- Case-specific training
- Presentations on legal, financial, seizure and forfeiture and operational seminars for Federal, state, and local law enforcement agencies participating in OCDETF
- In cooperation with the Bureau of Justice Assistance, financial investigative technique training to state and local police officers across the country for use in drug investigations.

C. Demand Reduction

An element of the FBI's NDS and complementing our law enforcement initiatives is the FBI's participation in programs to reduce the demand for controlled substances. In April 1988, the FBI established a Drug Demand Reduction Program and designated a Drug Demand Reduction Coordinator in each of the Bureau's 58 field offices. The coordinators are charged with creating and assisting drug awareness and prevention programs in their respective communities. Through cooperative efforts in Drug Demand Reduction Programs, the FBI coordinators, along with the DEA, United States Attorneys, and state and local law enforcement, promote drug awareness education in the community, in schools and in the workplace. Additionally, FBI Special Agents assigned to offices across the United States take every opportunity in public appearances to educate Americans to the dangers of drug abuse.

D. Cooperation with Other Agencies

1. **U.S. Customs Service Agent detailed to FBIHQ:** In September 1988, a U.S. Customs Service Agent was assigned to the FBI's Drug Section. The Customs Agent has a significant role in drug-intelligence

sharing and in case-specific management, particularly in the areas of money laundering and controlled drug deliveries. The Agent's liaison role helps ensure the effective implementation of the Money Laundering Memorandum of Understanding, particularly between the FBI and the U.S. Customs Service. This increased liaison enhances efforts to attack the top levels of drug trafficking organizations by developing joint investigations to their fullest potential.

2. **CIA Analyst detailed to FBIHQ:** A senior CIA analyst has been detailed as a Special Assistant in the FBI's Drug Intelligence Unit. The CIA analyst supplements existing liaison between the FBI and the CIA. The primary focus of the senior analyst is the analysis and collection of intelligence relating to foreign aspects of drug production and trafficking as well as the tracing of ill-gotten gains which have been laundered through offshore banks and foreign accounts. The analyst also provides advice and guidance on intelligence and analytical needs, recommends implementation of specific intelligence approaches, helps develop, plan, and initiate research projects, and evaluates analytical work products for validity, completeness, consistency, and applicability to operational needs.

3. **FBI/DEA Joint Drug Plan (JDP):** In January 1988, Director Sessions and DEA Administrator Lawn established a plan to jointly identify and address the most significant Colombian and Mexican drug trafficking organizations using the combined talent and experience of both agencies. The primary focus of the FBI/DEA JDP was to concentrate resources on those major drug trafficking organizations which require long-term, sustained investigations from case initiation through successful prosecution. Although there have been some noteworthy investigative results, our experience has demonstrated that the JDP's greatest promise rests with concentrating joint efforts in the intelligence-gathering arena. To that end, several offices have been identified where Joint Intelligence Working Groups of FBI and DEA personnel will likely be established, complementing established Groups in Miami, New York and Chicago. It is anticipated that those groups will be patterned after the increasingly successful joint intelligence effort in Miami.

The FBI has found that most, if not all, JDP substantive investigations could conceivably have been pursued unilaterally by either agency. The degree to which cases benefited by joint efforts is unclear. By working with other Federal, state and local enforcement agencies, the FBI and DEA may each expand their leadership role to attack a greater number of drug organizations. Existing means of coordination can effectively be used to avoid duplication of effort.

4. **FBI/DEA Supervisory Exchange Program:** FBIHQ and DEAHQ have exchanged supervisory personnel. The broad base of exposure provided by these operational or intelligence-related assignments has proved to be a uniquely valuable experience. The detailed Agents have been in a position to facilitate a broad range of interaction between DEAHQ and FBIHQ and field office personnel. Areas of mutual interest have more readily been identified and institutional red tape bypassed as a result. This program is considered to be a contributing factor to the working relationship between the FBI and DEA.

FBI Drug Section Supervisors served in the FBI Drug Intelligence Unit formerly collocated at DEAHQ. DEA personnel, in turn, have assumed supervisory roles in substantive units in the FBI's Drug Section. Although not specifically associated with the Exchange Program, many FBI Special Agents and support employees are assigned to DEAHQ to assist that agency in managing budgets, legal counsel programs, drug demand reduction and general administration.

5. **Committee for the Coordination of FBI/DEA Activities:** In August 1984, the Director of the FBI formed an executive-level committee, the Committee for the Coordination of FBI/DEA Activities, to avoid duplication, effect economy and make the operations of the FBI and DEA more effective and efficient. Since that time, through subcommittees co-chaired by FBI and DEA executives, the Committee has undertaken 56 initiatives which ranged in scope from feasibility studies to actual integrations of FBI and DEA components and activities. Most areas of integration forthcoming from adopted proposals concerned general administration and technical initiatives. The following six initiatives remain active:

   - **Tactical Radio System**
   - **Engineering Facilities, Functions and Training**
   - **Data Base Management System**
   - **Personnel and Payroll System**
   - **Collocation of Personnel**
   - **Coordination of Budget Matters**

   In early 1989, the then Executive Assistant Director for Administration requested that the committee members provide reports concerning the current status of these six initiatives. This matter is currently under review.

6. **FBI Training of Mexican State Judicial Police:** The FBI's Phoenix Office has undertaken a training project for the Mexican State Judicial Police. This initiative will be staffed and directed exclusively by FBI personnel from the FBI's southwest border offices. Basic training in crime scene search, case management and officer safety will be provided to 140 State Judicial Police from the Mexican States of Baja California, Sonora and Chihuahua. This pilot project will be expanded to include broader curriculum, including drug investigative techniques for more advanced classes, anticipating that the basic training is well received.

7. **Joint U.S./Hong Kong Anti-Narcotics Operations:** The FBI is in the process of reviewing guidelines for Joint U.S./Hong Kong Anti-Narcotics Operations carried out in Hong Kong. This proposal has been submitted to the DOJ for review. The entire effort is intended to streamline cooperative drug enforcement.

E. Forfeiture and Asset Seizure Teams (FASTs)

FASTs are working groups of Agents and analysts who have specialized asset seizure training. They were developed in order to maximize the seizure and forfeiture of the ill-gotten gains of drug trafficking organizations, an objective of the FBI's NDS. The success of the FASTs is evident in the results of the first two FASTs which were initiated in 1987. In 1988, the Miami FAST effected 200 individual seizures valued at $49.9 million; and the New York FAST effected 225 seizures valued at $10 million. Based on this success, in late 1988, FASTs were initiated in the remaining Level I and Level II cities.

Relationship of Investigations to Interdiction

A. Link Between Supply Reduction Strategies

During the course of drug investigations, the FBI identifies organizational factions directly responsible for importing drugs into the United States. Often, sophisticated investigative techniques, such as court-authorized electronic surveillance, undercover operations and FBI informants, reveal specific drug smuggling activities. Information concerning importation of drugs developed through intelligence sources and investigations is routinely disseminated to law enforcement agencies with an interdiction mandate. The FBI furnishes such information to DEA, U.S. Customs Service and the U.S. Coast Guard, either directly or through the auspices of the El Paso Intelligence Center.

When investigative intelligence on drug smuggling is disseminated to an interdiction agency, and an interdiction is effected, occasionally it is made to appear that the resulting action resulted from a "cold-hit" (that is, the interdiction was not based on prior information). Such scenarios are intended to avoid raising suspicions of the drug importers that their organization is the subject of an ongoing investigation. The "cold-hit" facade serves to protect the integrity of investigations and averts disclosure of undercover operatives, electronic surveillance or informants.

Both the FBI investigation of importation organizations and the dissemination of intelligence information greatly enhances interdiction efforts. Past studies have indicated that prior investigative information results in from 50 percent (DEA) to 67 percent (U.S. Customs Service) of all interdictions for 100 + kilogram seizures of cocaine. Further, seizures of 100 + kilograms account for approximately 87 percent of all cocaine interdiction. These findings are illustrated in the charts and graphs beginning on page 29. Interdictions based on FBI investigations, participation in joint investigations or dissemination of information, bear out these DEA and U.S. Customs findings. In FY's 1987 and 1988, interdictions attributable, at least in part, to FBI efforts were:

	FY 1987	FY 1988
Cocaine	2,609 kilograms	8,054 kilograms
Heroin	—	1.44 kilograms
Marijuana	141,800 kilograms	124,900 kilograms
Hashish	1,091 kilograms	39,092 kilograms

Interdictions based on prior information not only represent a significant portion of all interdictions, they also produce greater return than "cold-hit" interdictions. Specifically, prior information-based interdictions, as opposed to "cold-hit" interdictions, result in identification and prosecution of the leadership of the drug smuggling organization, dismantling of the organization, seizure and forfeiture of the organizations' assets in addition to those assets that are merely incidental to the interdiction itself. Intelligence concerning drug trafficking patterns and organizational structure is also enhanced.

An example of the impact of investigations in the interdiction arena can be illustrated by the CAT-COM (see page 38 for details of case) undercover operation which also utilized court-authorized electronic surveillance. CAT-COM resulted in the interdiction of 4,636 kilograms of cocaine and 211,000 pounds of marijuana. Additionally, 92 subjects were indicted for, among other violations, conspiracy to import illicit drugs. One million dollars in cash and over $4 million in other assets have been seized for forfeiture.

B. Prior Studies

The relationship between interdiction and investigations, as well as the effectiveness of interdiction, has been the subject of a number of studies. In October 1987, Wharton Econometrics Forecasting released a report to the media entitled "Anti-Drug Law Enforcement Efforts and Their Impact," which had been contracted for by the U.S. Customs Service. The intent of the Wharton Study was to compare interdiction to investigative costs, using seizures of drugs as the variable.

The FBI and DEA consider the Wharton study to be fundamentally flawed. The validity of the study is questionable due to defects or unsupported assumptions, including: 1) a comparison of only Federal interdiction costs was made to combined Federal, state, and local drug law enforcement costs; 2) an overestimation of the cost of investigations by state and local law enforcement agencies by over $3 billion, or 280 percent; 3) treating all interdictions the same by failing to separately classify "cold-hits" and interdiction based on prior investigative intelligence; 4) arbitrarily reducing DEA seizures to account for "combined efforts" with other law enforcement agencies; and 5) lack of consideration for the different missions of agencies. In addition, the study arbitrarily used drug seizures as an indication of success. Little or no attention was given to dismantling drug organizations, arresting their leadership, and seizing and forfeiting their ill-gotten gains.

The General Accounting Office (GAO) reviewed Operation Autumn Harvest, a one-month joint National Guard and Customs cooperative interdiction operation on the Arizona-New Mexico border. Four ground-based radar units covering approximately 84% of the border were operated nearly around the clock for 90 days. Of 93 suspect craft identified, attempts to visually identify and intercept 33 aircraft were made, with six actual intercepts. No drugs were seized as a result of this operation. The total cost of the operation was $881,535 for National Guard units and between $75,000 and $85,000 for the Customs Service.

In April 1988, the GAO conducted a study of the capability of the Federal government to control drug smuggling into the United States and the use of the military in interdiction. The report found that: "For legal, foreign policy, and other reasons, neither DOD nor law enforcement officials support a significant change in DOD's role. This is particularly true with regard to DOD's direct involvement in seizures and arrests." The report also found that: "Determining the impact more DOD assistance would have is difficult because information needed to measure the success of interdiction efforts is not readily available."

Commenting on interdiction, the report states: "We found no direct correlation between resources spent to interdict and the long-term availability of imported drugs in the domestic market. Customs estimates that a large percentage of the drugs may be entering the country through ports of entry in container cargoes. However, most interdiction efforts are directed at stopping drugs shipped clandestinely in planes, boats, and vehicles that do not go through the ports of entry." And, lastly: "Law enforcement agencies do not have widely accepted estimates of the amount of drugs smuggled into the country so they cannot accurately measure the effectiveness of their interdiction efforts relative to drugs entering the country."

Lastly, the Rand Corporation conducted a study in 1988 which considered the effectiveness of interdiction in relation to the price of cocaine. The Report challenged the premise of interdiction: that interdiction of drugs drives the street price up, reducing demand for drugs, and/or the interdiction of drugs is so costly to smugglers that they will cease smuggling drugs, thus raising transportation costs which will be passed on to the consumer. The Rand Study debunks this premise on both counts. First, in the face of ever increasing interdictions of cocaine, the price of cocaine has continued to fall. Secondly, smugglers are innovative and find new ways to bring drugs into the country, avoiding detection.

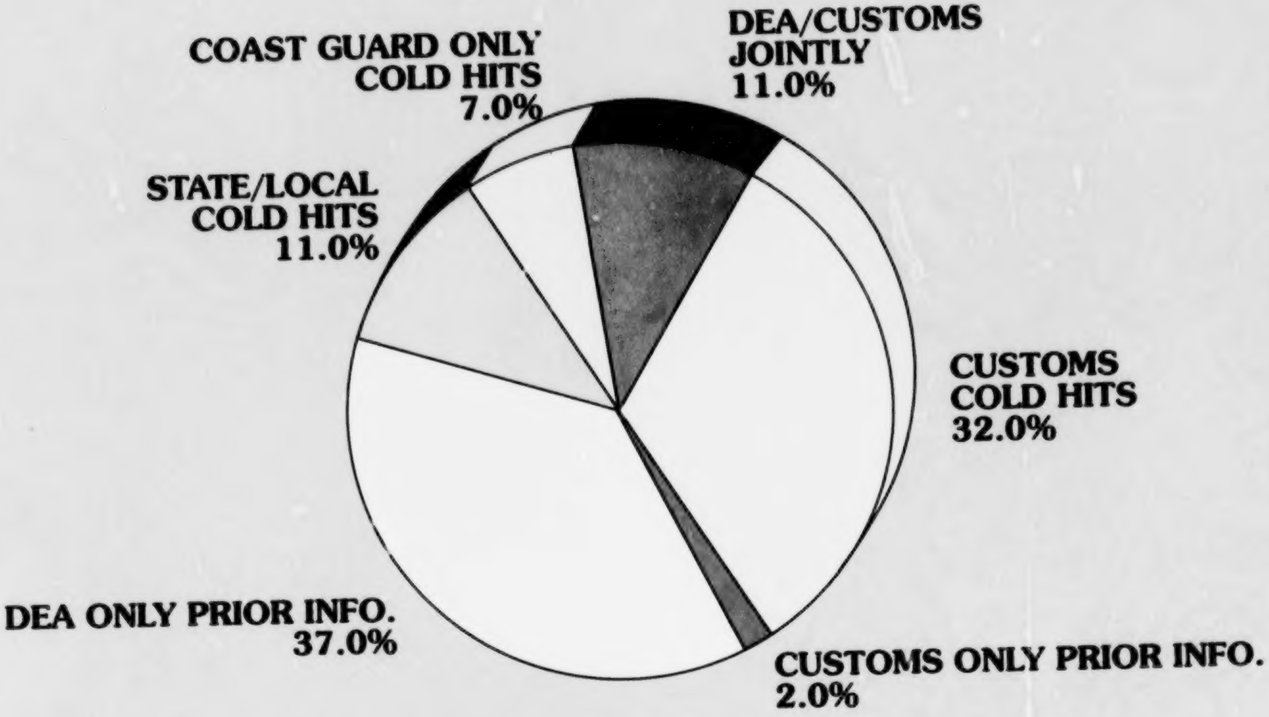
C. Interdiction/ Investigations Funding

The FBI's NDS impact on interdiction efforts has been especially noteworthy when compared to the resources allocated to interdiction efforts. The FBI's Drug Program budget, including OCDETF resources, is less than 10 percent of the interdiction budget. Overall, Federal funding for drug investigations has only been 61.7, 51 and 66.7 percent of the Federal funding for interdiction in FY's 1988, 1989 and 1990, respectively. The following two charts illustrate the relationship between funding for interdiction activities and investigations. Additional detailed information is located at **Tab 14.** A review of these charts demonstrates that the funding levels are disproportionate. However, investigations have a positive impact on interdiction efforts.

The sources of the most damaging drugs of abuse—cocaine and heroin—are organic and potentially infinitely capable of replenishment. As long as the demand for illicit drugs persists, so too will the source. The overall value of continuing to highlight drug seizures as a primary indicia of success in the enforcement arena is questionable. Greater emphasis in the process of gauging success, therefore, needs to be made on the enforcement community's ability to dismantle drug organizations and not on the seizure of the drugs in which they traffic.

ANALYSIS OF COCAINE INTERDICTION

SEIZURES IN THE U.S. OVER 100 KGS.
OCT. 1, 1984 TO SEPT. 30, 1985

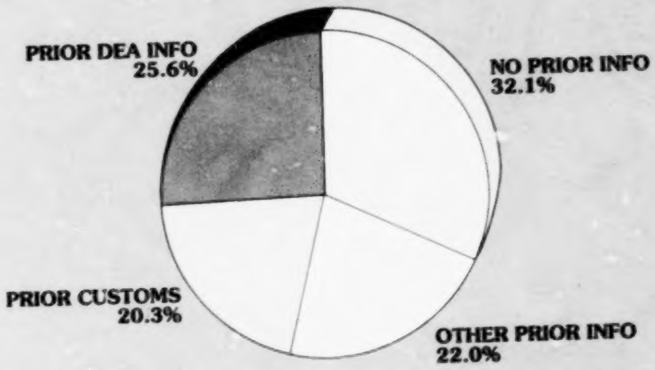


60 SEIZURES TOTALING 20,485 KGS.

SOURCE: DEA

U.S. CUSTOMS SERVICE COCAINE SEIZURES

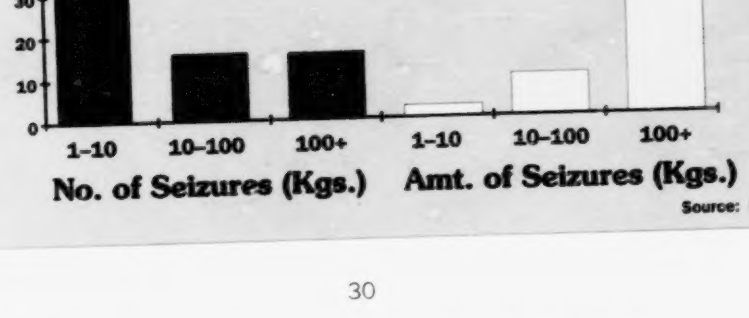
SEIZURES OVER 100 KGS.
OCT. 1, 1984 TO SEPT. 30, 1985



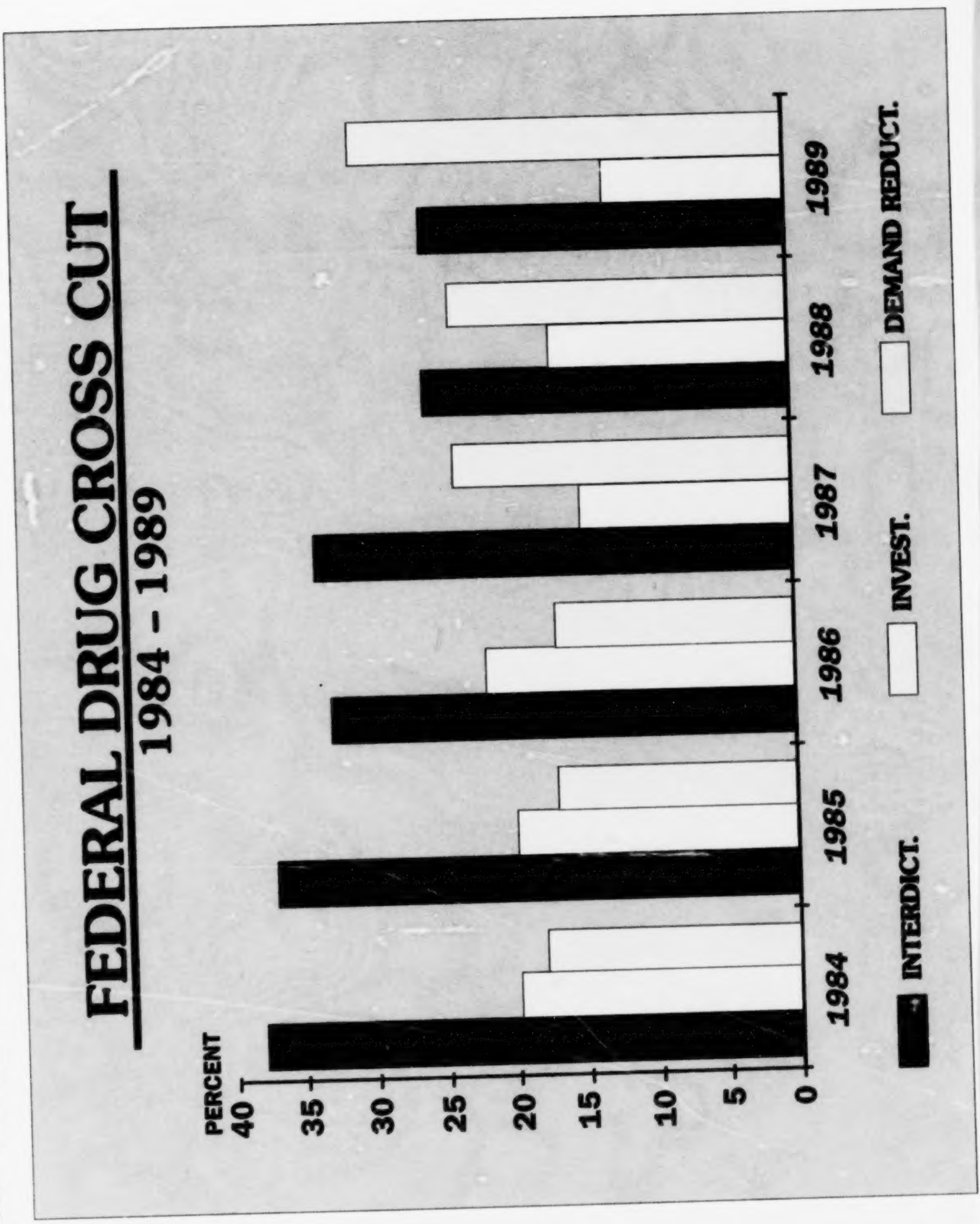
53 SEIZURES TOTALING 19,628.4 KGS.

COMPARISON OF NUMBERS vs AMOUNT OF SEIZURES

OCT. 1, 1984 to SEPT. 30, 1985

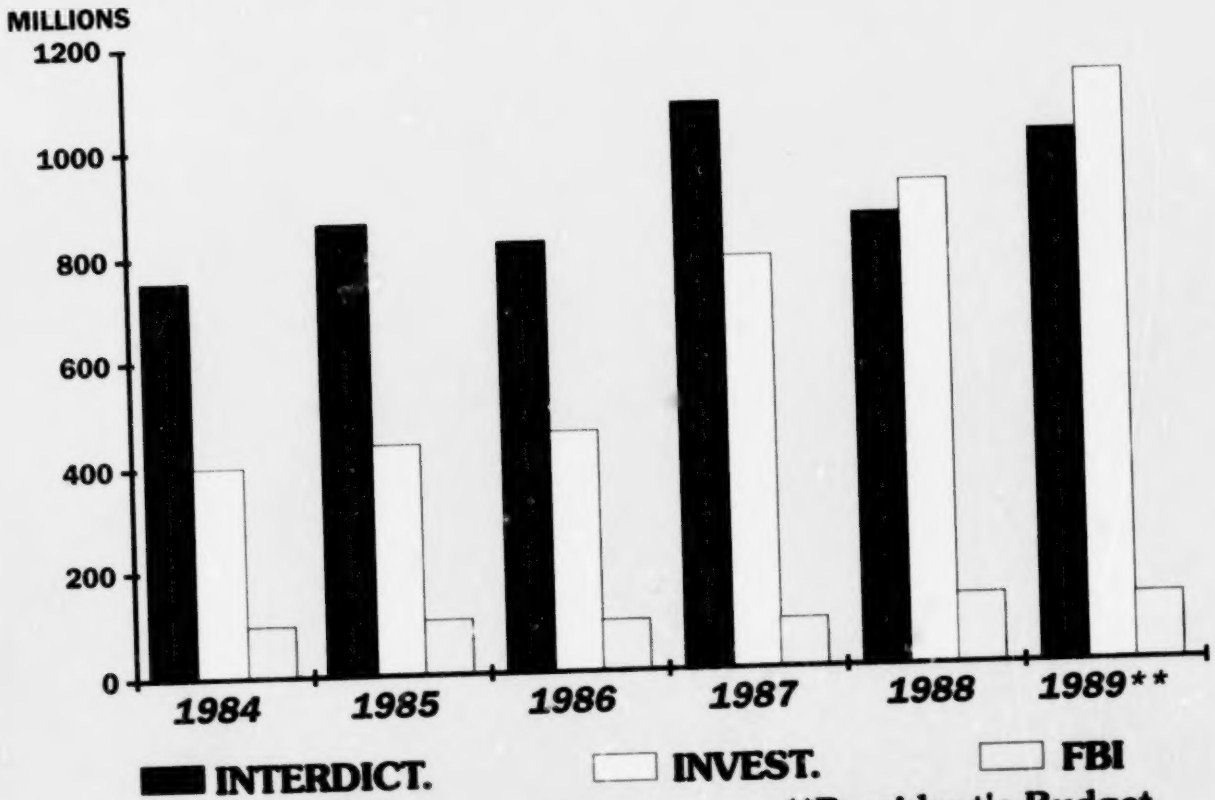


Source: DEA


FEDERAL DRUG CROSS CUT
1984 - 1989
PERCENT
40
35
30
25
20
15
10
5
0
1984
1985
1986
1987
1988
1989
INTERDICT.
INVEST.
DEMAND REDUCT.

SUPPLY REDUCTION OUTLAYS

INTERDICTION/INVESTIGATIONS*/FBI DRUG PROGRAM



*Includes FBI

**President's Budget

National Drug Control Policy

A. Incorporated FBI NDS

The FBI's NDS was an integral part of the National Narcotics Prosecution Strategy and of the Drug Investigations Strategy developed under the auspices of the former National Drug Policy Board (NDPB). NDS precepts focusing on drug trafficking organizations are essential elements in the International Strategy of the Office of National Drug Control Policy (ONDCP). The NDS is also entirely consistent with the stated goals and objectives of the OCDETF Program. The NDPB and ONDCP each adopted the FBI's NDS focus. **[Tab 15]**

B. Committee Assignments

The FBI was involved with all major NDPB program initiatives as highlighted in the Board's National and International Drug Law Enforcement Strategy, published in January 1987. Bureau executives were members of each of the five principal committees of the NDPB Law Enforcement Coordinating Group. These committees were tasked to individually address drug investigations, intelligence, interdiction, international matters, and prosecutions. The FBI co-chaired the Investigations and Intelligence Committees. The FBI continues to play an integral part in the oversight structures of the ONDCP.

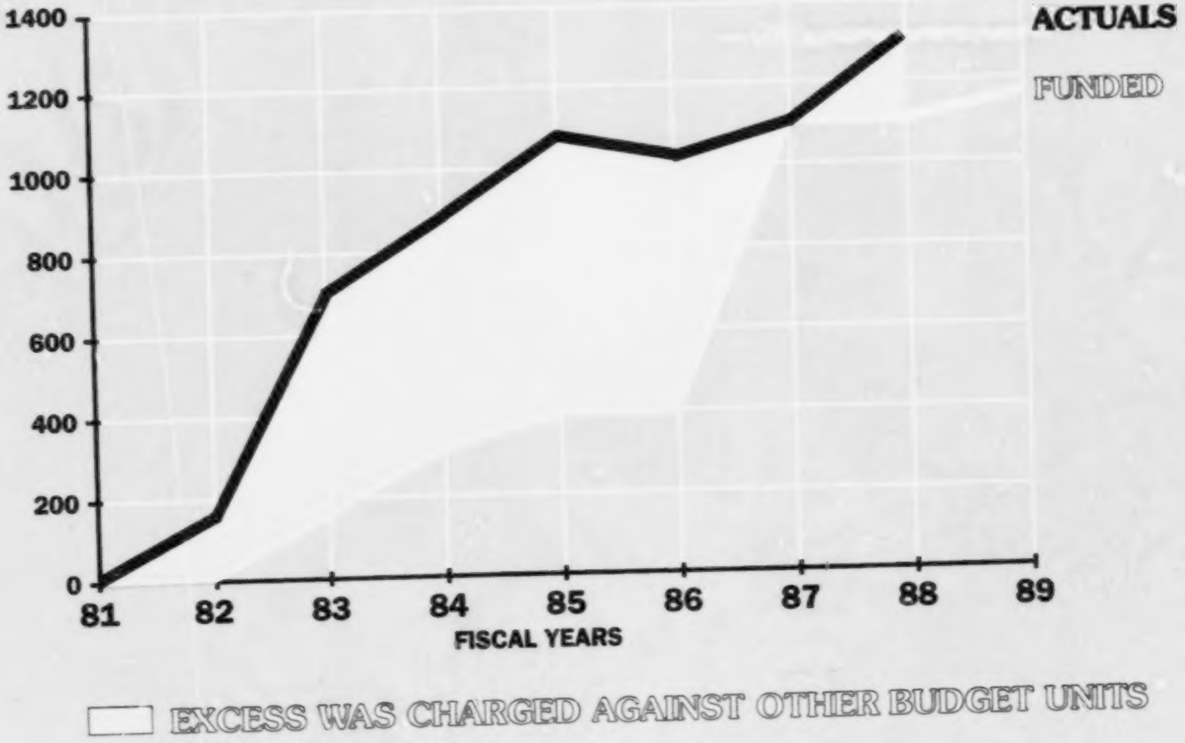
Accomplishments

A. Statistical

1. **Dedicated resources to the FBI Drug Program (OCDETF/Non-OCDETF)**
   a. The investigative methods and approaches used in all FBI drug investigations are the ones best suited to accomplish the objectives of the NDS and are not dependent on whether a case is or is not an OCDETF investigation. The FBI also participates with other Federal and local law enforcement agencies in joint investigations that are not OCDETF investigations. In all instances, FBI drug investigations must meet the criteria of the FBI's NDS. What distinguishes an OCDETF case from other FBI drug investigations is the recognition that some major cases are more effectively and efficiently investigated in a multiagency setting where each agency can contribute its expertise. The decisions to participate in an OCDETF case are made on an ad hoc basis. In every instance, the investigative approach and methods used must be in compliance with all Attorney General Guidelines and FBI operational guidelines. The FBI commitment of manpower resources regularly exceeds OCDETF funding.
   b. FBI Drug Program agent resources from 1981-1990 follow:

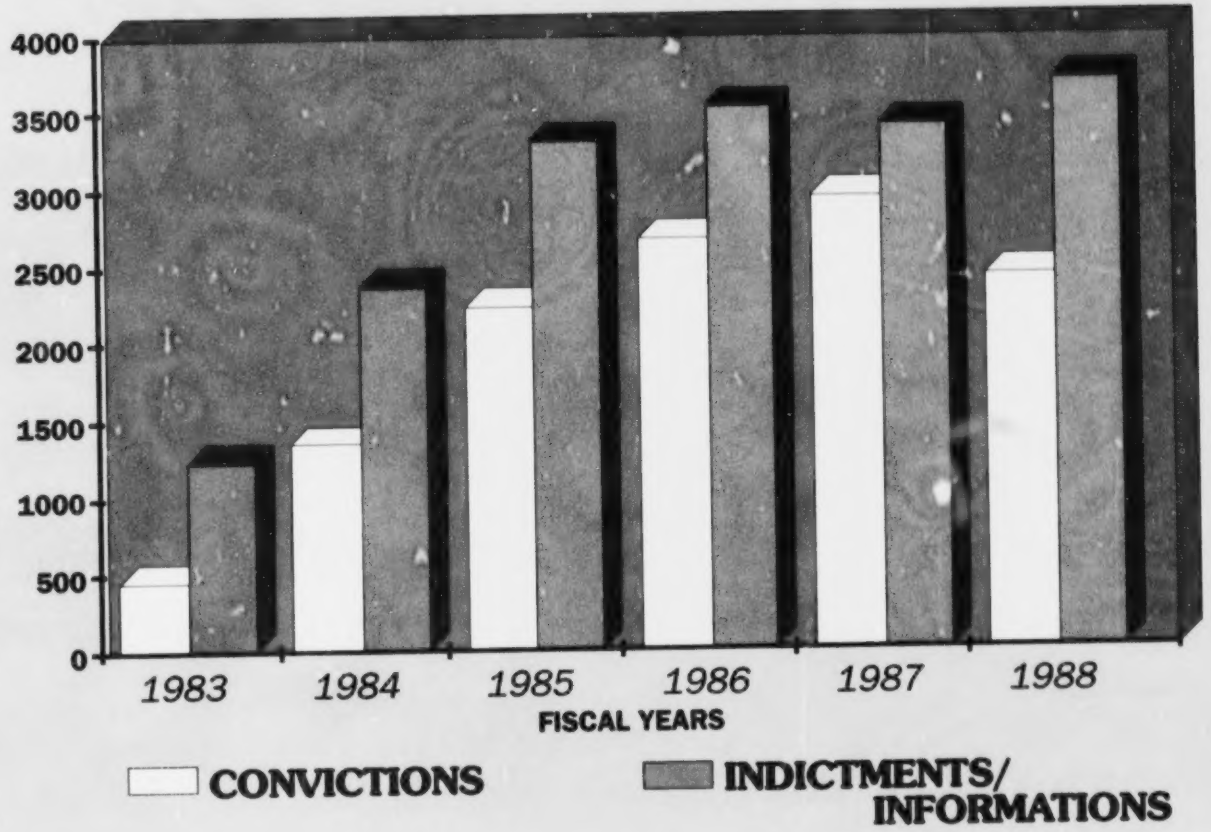
FBI DRUG PROGRAM

FUNDED vs ACTUAL: AGENT UTILIZATION



FBI DRUG PROGRAM

INDICTMENTS/INFORMATIONS AND CONVICTIONS



FUNDED AND ACTUAL AGENT UTILIZATIONS

	1981	1982	1983**	1984**	1985	1986	1987	1988	1989	1990**
Funded:										
OCDETF	—	—	167	321	360	357	514	414	414	414
Non-OCDETF*	—	—	—	—	38	43	593	692	753^	812^
Total......	—	—	167	321	398	400	1,107	1,106	1,167	1,226
Actuals (Utilized):										
OCDETF	—	—	183	321	538	504	525	516	—	—
Non-OCDETF	—	154	520	565	541	517	578	802	—	—
Total	—	154	703	886	1,079	1,021	1,103	1,314	—	—
Excess^^	—	154	536	565	681	616	(-4)	208	—	—

* Carried under the Organized Crime Budget Decision Unit through 1986.

** OCDETF resources reimburseable through DOJ

^ Enhancement of 61 and 59 agents in FY 1989 and FY 1990, respectively, are from the Anti-Drug Abuse Act of 1988.

^^ Charged against other FBI programs.

2. **Indictments and Convictions:** The FBI, since receiving concurrent jurisdiction to investigate Federal criminal drug laws, has made great progress in identifying the most sophisticated drug trafficking organizations, developing a strategy to address them, and efficiently and effectively investigating them. The following accomplishments have been achieved:

	1982	1983	1984	1985	1986	1987	1988
Indictments*	201	1,238	2,367	3,308	3,528	3,417	3,697
Convictions**	43	471	1,362	2,232	2,671	2,967	2,433

* Felony Violations charged through information and indictment.

** Felony Convictions.

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3. SEIZURES AND FORFEITURES

(in thousands)

	1982	1983	1984	1985	1986	1987	1988
Seizures							
OCDETF	$ 84	$ 2,100	$24,000	$19,800	$21,100	$38,561	$ 71,566
Non-OCDETF	$ 262	$ 1,200	$ 5,300	$17,300	$28,400	$23,139	$ 41,872
Totals	$ 346	$ 3,300	$29,300	$37,100	$49,500	$61,700	$113,438
Forfeitures							
OCDETF	$ —	$ 9	$ 2,200	$ 7,100	$16,200	$14,873	$ 18,532
Non-OCDETF	$ —	$ 106	$ 1,300	$ 2,900	$14,400	$20,077	$ 22,270
Totals	$ —	$ 115	$ 3,500	$10,000	$30,600	$34,950	$ 40,802

B. Recent Major Cases

Below are summaries of some of the FBI's major recent cases catalogued by investigative subprograms:

Colombian/South American Organizations

Cashweb/Expressway: The FBI recently concluded a major three-year undercover operation codenamed Cashweb/Expressway. This extensive investigation involved nine FBI field offices and numerous Federal, state and local law enforcement agencies. The investigation penetrated the highest levels of three money laundering organizations of Colombian drug trafficking syndicates operating in South America and the United States.

During this investigation, FBI undercover Agents laundered approximately $175 million and identified an additional $300 million in Colombian drug proceeds.

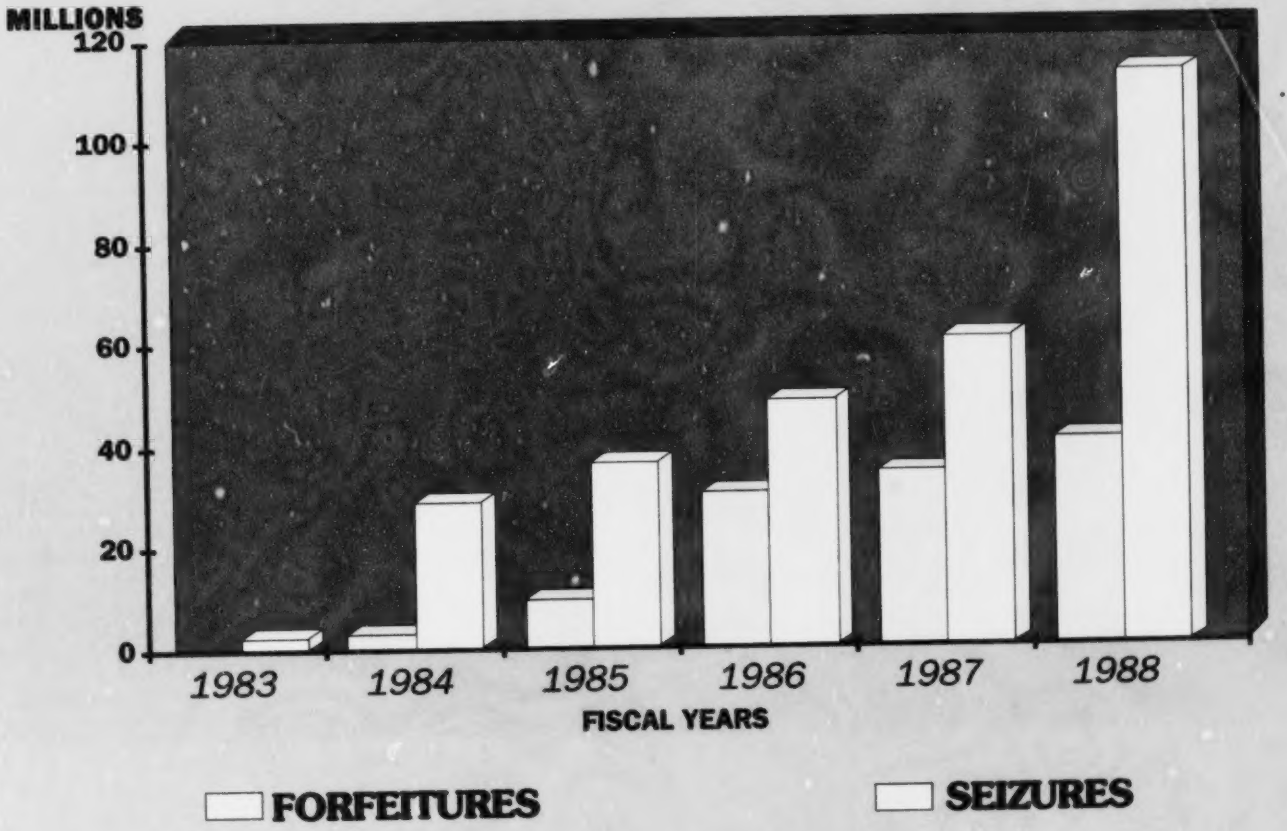
The investigation, thus far, has resulted in Federal, state, and local indictments of 137 conspirators for drug and/or money laundering violations; and the seizure of 2,000 pounds of cocaine; 22,000 pounds of marijuana; $14.7 million in cash; 57 automobiles; and three residences.

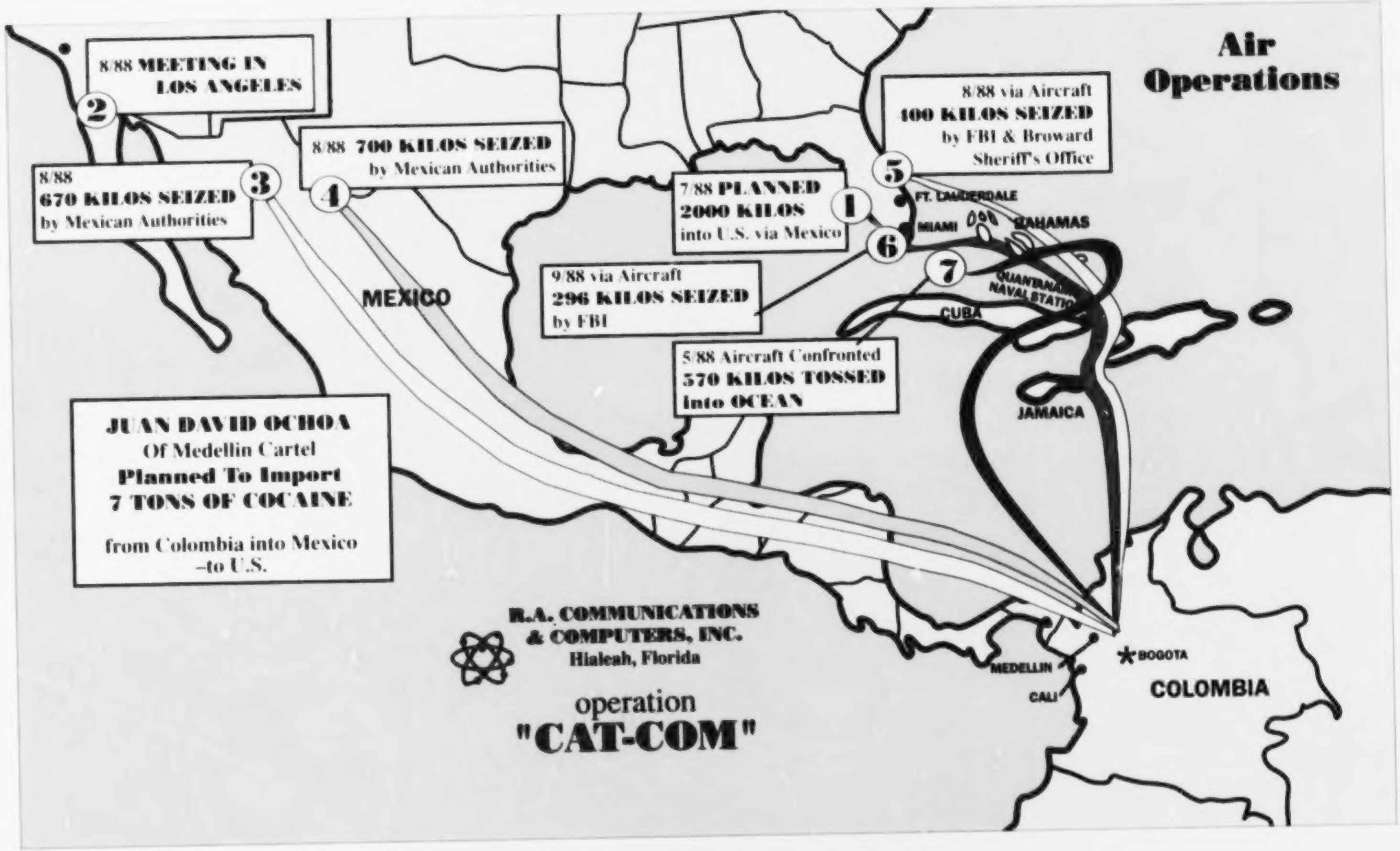
Starbank: In February 1988, General Manuel Noreiga, military dictator of the Republic of Panama, and another citizen of Panama were indicted for conspiracy to import and distribute in excess of 1 million pounds of marijuana. This was a joint investigation with DEA and U.S. Customs Service and was the first time a sitting head of a foreign country has been indicted by a U.S grand jury.

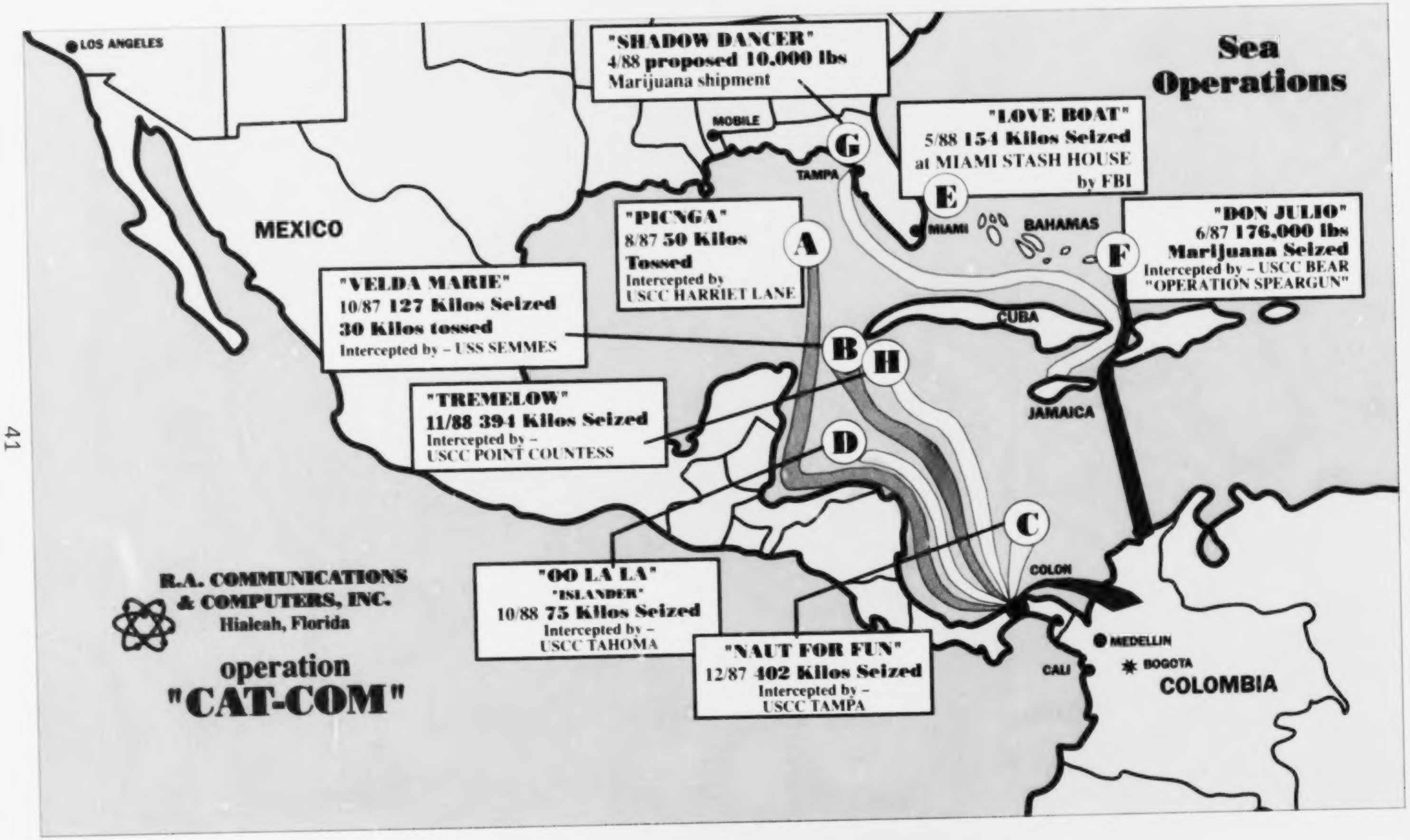
Cat-Com: An undercover operation (UCO) called "Cat-Com" was directed against Colombian drug trafficking organizations operating in the U.S. This long-term.

FBI DRUG PROGRAM

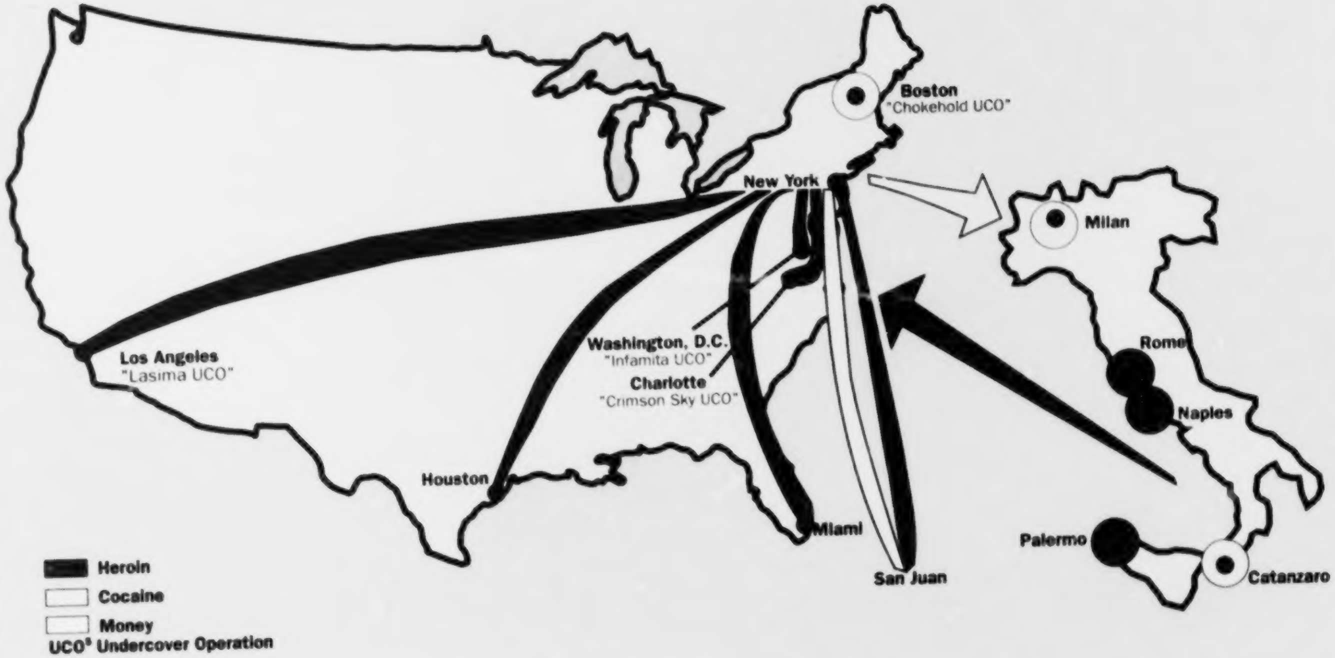
SEIZURES AND FORFEITURES




Air Operations
8/88 MEETING IN LOS ANGELES
2
8/88 670 KILOS SEIZED by Mexican Authorities
3
8/88 700 KILOS SEIZED by Mexican Authorities
4
MEXICO
7/88 PLANNED 2000 KILOS into U.S. via Mexico
1
9/88 via Aircraft 296 KILOS SEIZED by FBI
6
5/88 Aircraft Confronted 570 KILOS TOSSED into OCEAN
7
8/88 via Aircraft 400 KILOS SEIZED by FBI & Broward Sheriff's Office
5
FT. LAUDERDALE
MIAMI
BAHAMAS
GUANTANAMO NAVAL STATION
CUBA
JAMAICA
MEDELLIN
CALI
BOGOTA
COLOMBIA
JUAN DAVID OCHOA
Of Medellin Cartel
Planned To Import
7 TONS OF COCAINE
from Colombia into Mexico –to U.S.
R.A. COMMUNICATIONS & COMPUTERS, INC.
Hialeah, Florida
operation
"CAT-COM"


Sea Operations
"SHADOW DANCER"
4/88 proposed 10,000 lbs
Marijuana shipment
"LOVE BOAT"
5/88 154 Kilos Seized
at MIAMI STASH HOUSE
by FBI
"DON JULIO"
6/87 176,000 lbs
Marijuana Seized
Intercepted by – USCC BEAR
"OPERATION SPEARGUN"
"PICNGA"
8/87 50 Kilos
Tossed
Intercepted by
USCC HARRIET LANE
"VELDA MARIE"
10/87 127 Kilos Seized
30 Kilos tossed
Intercepted by – USS SEMMES
"TREMELOW"
11/88 394 Kilos Seized
Intercepted by –
USCC POINT COUNTESS
"OO LA LA"
'ISLANDER'
10/88 75 Kilos Seized
Intercepted by –
USCC TAHOMA
"NAUT FOR FUN"
12/87 402 Kilos Seized
Intercepted by –
USCC TAMPA
A
B
C
D
E
F
G
H
LOS ANGELES
MEXICO
MOBILE
TAMPA
MIAMI
BAHAMAS
CUBA
JAMAICA
COLON
MEDELLIN
BOGOTA
CALI
COLOMBIA
R.A. COMMUNICATIONS
& COMPUTERS, INC.
Hialeah, Florida
operation
"CAT-COM"

FBI NATIONAL DRUG STRATEGY
SICILIAN DRUG CONNECTION 1985 – 1988



organizational-based investigation neutralized seven drug trafficking organizations. The 12-month UCO resulted in the indictment of 92 individuals, and the seizure of 5 1/2 tons of cocaine, 105 tons of marijuana and over $1 million in cash. The investigative objective of penetrating the entire structure of the networks was accomplished through detailed and meticulous planning. In the course of the UCO, the traffickers identified themselves as representatives of Pablo Escobar and other major "Medellin Cartel" leaders. This investigation was international in scope and used numerous innovative ploys to sustain and maximize the investigation.

Charts and graphs illustrating the scope of this investigation begin on page 40.

Mexican Organizations

Cutglass: An investigation of an organization responsible for the importation and subsequent distribution of heroin and cocaine in the Chicago, Illinois area resulted in the indictment of 44 individuals and seizure of 12 real properties and 20 automobiles. This long-term, organizational-based investigation employed 10 months of court-authorized electronic surveillance and an undercover operation which made strategic purchases of cocaine and heroin. The investigation was conducted jointly with DEA and Illinois State Police, with assistance rendered by four other Federal agencies.

Roberto Medrano: A Mexican drug trafficking organization operating in the lower Rio Grande River Valley was neutralized by the FBI following use of court-authorized electronic surveillance in an investigation in which other Federal, state and local law enforcement agencies participated. Thirteen subjects were indicted and at the time of their arrest, 50 pounds of cocaine were seized. To date, ten subjects have been convicted.

Edward Eden Garza: In another FBI investigation of cocaine and marijuana importation and distribution based in Texas, also using court-authorized electronic surveillance and with assistance from nine other Federal, state and local law enforcement agencies, 23 individuals were arrested, and $572,000 in currency, 60 vehicles and three residences were seized. Twelve additional pieces of real estate have been identified for seizure.

Edwardo Espinoza Enes: Based on the intelligence base established in the FBI Portland, Oregon Office, eight subjects, all illegal Mexican aliens, were arrested and 25 kilograms of cocaine were seized (the largest ever seizure of cocaine in Oregon) along with 12 kilograms of black tar heroin, 15 automobiles and numerous weapons.

Southwind: In a case code named "Southwind," 57 subjects have been arrested and the following property was seized: 81 vehicles; 6 aircraft with a total value of over $700,000; 4 ranches; 5 businesses; 3 residences; an airstrip valued at $1.5 million; and cash and jewelry valued at over $800,000.

European/Italian Organizations

Pizza Connection: The FBI, over the past four years, directed an international investigation focused on heroin importation/ distribution and money laundering by Sicilian Mafia figures in association with the La Cosa Nostra in the United States. This historic investigation was commonly referred to by the media as the "Pizza Connection" case because the Mafia used pizza parlors throughout New York, New Jersey, Michigan, Illinois, Pennsylvania, and Wisconsin to facilitate the distribution of an estimated $1.6 billion worth of heroin smuggled into this country from Sicily.

The FBI, with support from DEA, the U.S. Customs Service and the Brazilian, Canadian, British, German, Spanish, Swiss, and Turkish authorities, as well as numerous state and local law enforcement agencies, revealed a scheme in which morphine base was transported from Turkey for conversion to heroin in clandestine laboratories in Sicily. The heroin was then shipped to the United States and distributed through pizzerias. This long-term and complex investigation employed 47 court-ordered electronic surveillances. It resulted in the indictment of 58 high-level traffickers in the United States and an additional five Mafia members and associates in Italy for drug trafficking and money laundering violations.

After a 17-month trial, which commenced in September 1985, guilty verdicts were returned against 18 defendants in March 1987. During the course of the lengthy trial, other defendants pleaded guilty to drug violations, one defendant died of natural causes and one defendant was murdered and was found stuffed in a black plastic bag along a roadside in New York. Another was critically wounded when he was gunned down on a Greenwich Village street in New York. This demonstrated the violence prone nature of these individuals even during a trial that was the focus of worldwide media attention. They were also responsible for over 200 other murders throughout Europe and North and South America.

In June 1987, defendants were sentenced in Federal court in New York to jail terms of up to 45 years, fines ranging from $50,000 to $1,150,000 were exacted, and eight defendants were ordered to pay restitutions ranging from $200,000 to $1 million to an approved drug addiction rehabilitation program. Trial testimony and evidence gathered during the investigation revealed that this drug trafficking group had laundered approximately $60 million in heroin trafficking proceeds through businesses in the United States and abroad. Currently, proceedings are under way to complete the forfeiture of 10 businesses and 5 residences in the metropolitan New York City area and the Midwest. Additionally, 20 vehicles and $350,000 were seized during this investigation.

Sicilian Mafia Drug Connection Case: The FBI conducted another international investigation of heroin importation and distribution by Italian drug trafficking groups and their criminal networks both in the United States and Italy. The organizational makeup and hierarchy of the network included well-documented Sicilian Mafia, 'Ndrangheta and La Camorra members. Investigations were conducted in Albany, Baltimore, Charlotte, Houston, Los Angeles, Philadelphia, Miami, Washington, D.C., and New York. Investigations were also conducted by the Italian authorities. This network supplied heroin, on a multikilogram level, for numerous traffickers in New York, New Jersey, Pennsylvania, Delaware and Virginia. Sixty-three arrest warrants were issued and 58 individuals were arrested. Concurrently, 88 warrants were issued in Italy and 64 individuals were arrested. Italian warrants for 14 subjects were executed by arrests in the United States by the FBI. This case became known as "Pizza II."

Busico: "Busico," a code word for Buffalo Sicilian Connection, was a multiphased FBI undercover operation directed at Italian/Sicilian drug cartels throughout the United States. This sustained investigation utilized numerous court-authorized telephone and microphone surveillances, selective strategic drug purchases and exhaustive physical surveillance. DEA and three Italian law enforcement agencies provided assistance in these investigations. Subjects with connections in Brazil, Spain, Iran and Italy were identified. In one instance, it was determined that cocaine was sent from South America to a laboratory in Spain, where it was processed and then transported to Italy and exchanged for heroin to be shipped to the United States. Arrests were made in Spain as a result of this information.

In a related case, a member of the Sicilian Mafia was involved in establishing a large-scale cocaine operation in Miami. The investigation also identified Sicilian Mafia member Tomasso Inzerillo residing in Santo Domingo and he was extradited to Italy where he is currently imprisoned. Also, FBI New York identified a diplomat stationed in London, England, who transported heroin through a diplomatic pouch. Sixty-four subjects had been arrested in the United States and two dozen others in Italy. There have also been significant seizures of property.

A chart depicting the FBI's investigation of Sicilian drug trafficking organizations is contained at page 42.

Asian Organizations

Bamboo Dragon: The FBI concluded a two-year undercover case directed at an international Chinese heroin importation network which obtained its heroin directly from Hong Kong. This drug cartel had worldwide distribution routes radiating to the United States, Japan, Taiwan, Korea, Australia and Europe. Within the United States, this group supplied New York City, Philadelphia, San Francisco, and Washington, D.C. In April 1988, this long-term, complex investigation culminated with simultaneous arrests in Hong Kong and the United States. Eleven subjects were arrested in Hong Kong, and 88 pounds of heroin were seized. In the United States, five subjects were arrested in Newark, New Jersey, and 22 pounds of heroin were seized; two subjects were arrested in San Francisco, and 4.5 pounds of heroin were seized; and one subject was arrested in Washington, D.C.

White Mare: Operation "White Mare" was an undercover operation directed against organizations involved in the importation of Asian heroin. Accomplishments to date include: a total of $4.5 million in cash has been seized; subjects have been identified in Detroit, Buffalo, Toronto, Chicago, Calgary, Vancouver, New York and Hong Kong; 44 subjects have been arrested; 820 pounds of heroin, the largest domestic heroin seizure in U.S. law enforcement history, occurred during February 1989; 24 kilograms of cocaine have been purchased and/or seized; and court-authorized electronic surveillance and consensual recordings (telephonic and nontelephonic) have been utilized. This FBI case involved the efforts of up to 100 law enforcement personnel in five countries.

Polar Cap: Polar Cap is an investigation of an organization laundering enormous amounts of money in major U.S. cities. The principals laundered money for several large drug cartels involved in trafficking of Thai/Chinese marijuana and heroin, Southwest Asian heroin, and cocaine. Monies had been carried or wire transferred to banks in the United States, Switzerland, England and Uruguay. The FBI, DEA, U.S. Customs Service, and the IRS arrested 33 persons and seized assets valued at $50 million during February 1989. This may possibly be the largest money laundering conspiracy ever encountered in the United States. The case is an outstanding example of the benefits of close interagency coordination and cooperation.

Requirements

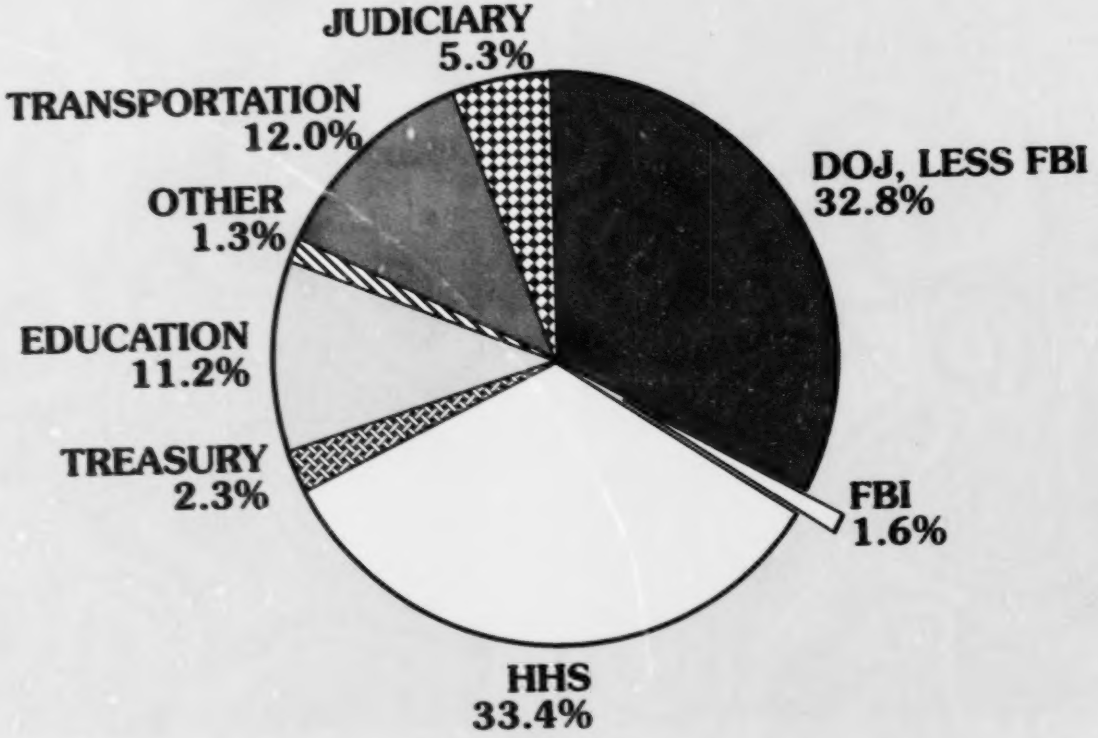
A. Review of the Implementation Directive

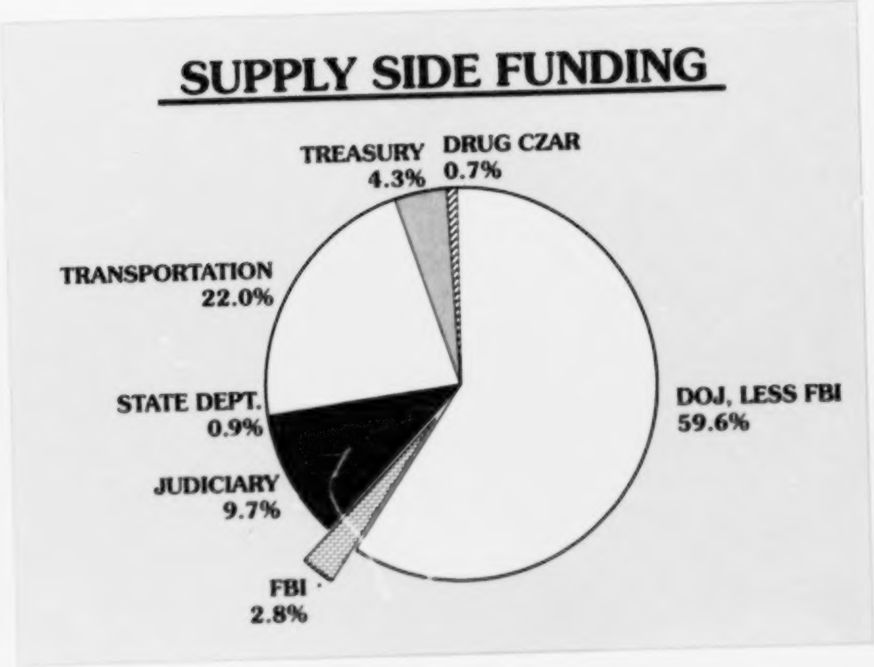
In the seven years the FBI has had concurrent jurisdiction for drug enforcement there have been substantive changes in drug trafficking as well as remarkable achievements by the FBI due to the continuing implementation of the NDS. However, this has also resulted in an increasing number of strictures due to the Implementation Directive which has not been revised to account for these changes. For the FBI to maximize its efforts, revision of the Implementation Directive is needed. One such area is noted below:

Mission Abroad: Sub L of the Implementation Directive requires DEA Country Attaches to assume full responsibility for international aspects of FBI and DEA unilateral and joint investigations. As both a matter of current necessity and long established prior practice, FBI Legal Attaches in Ottawa and Rome have conducted direct liaison with counterpart foreign government officials in drug-related matters. Full coordination with DEA Country Attaches has been maintained and continues to be satisfactory.

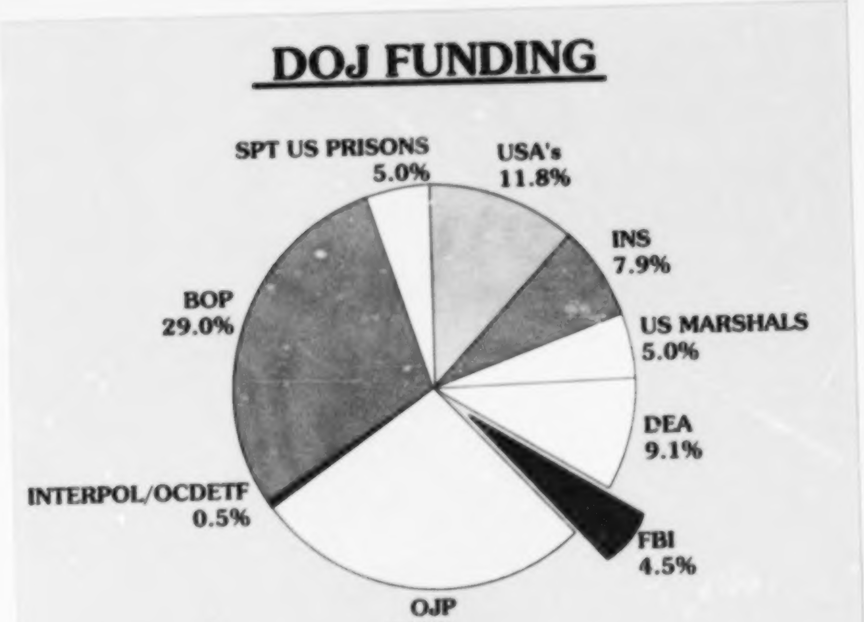
Nonetheless, the FBI's REI and operational drug investigations have become increasingly global since 1982. The explicit limitations of Sub L have a limiting effect on the 40 current REIs directed at Colombian/South American, Mexican, Italian, and Asian drug trafficking organizations and many other investigations. If foreign intelligence-gathering in drug matters is to be maximized, a coordinated effort between the FBI and DEA abroad appears a necessity.

TOTAL DRUG BILL FUNDING





SUPPLY SIDE FUNDING



DOJ FUNDING

B. Accelerated Implementation of NDS

1. **Personnel enhancements:** The FBI is currently addressing approximately 40 percent of the drug trafficking organizations it has identified through its NDS with a funded complement of 1,197 Agents, 50 percent of whom were drawn from other FBI priority programs. To achieve full implementation of the NDS would require 2,000 Agents.

   The FBI has received no Agent enhancements for FYs 1988 and 1989, with the exception of 61 agents in FY 1989 from the Anti-Drug Abuse Act of 1988. The FY 1990 OMB budget submission to Congress contains no enhancement requests, again noting the exception of 59 Agents in second-year funding from the Anti-Drug Abuse Act of 1988. The FBI also needs support personnel enhancements, both general and specific. Included in the latter are intelligence research specialists, intelligence analysts, electronic surveillance monitors and foreign language specialists.

   Funding from the Anti-Drug Abuse Act of 1988 is illustrated in the three charts on pages 47 and 48. The FBI received 1.6% of the total funding from this drug bill. A full resource summary of this bill appears at **Tab 16.**

2. **Added material and technical resources:** The increasing sophistication of drug trafficking organizations has placed high demands on nonpersonnel resources. Automated computer systems are needed to handle the flow of intelligence information. Recent innovations such as cellular telephones present technological challenges for electronic surveillance. The FBI Agent is even outgunned by the drug traffickers. Due to the lack of resources, an Agent's standard firearm is the six-shot revolver, whereas many drug traffickers use semiautomatic pistols and machine guns. Authorization for funding physical and technical resources is needed if full implementation of NDS is to be reached and our Agents' security enhanced to the fullest extent possible. To that end, in September 1989, Director Sessions stated his intentions to arm all FBI Agents with 10mm semiautomatic handguns.

3. **Increased intelligence-gathering capabilities:** Full implementation of the NDS is dependent on a fully integrated intelligence-gathering capability. The previously mentioned Drug Information System, which has been developed by the FBI, is the centerpiece of this initiative. Without the new Drug Information System and personnel enhancements to support it, intelligence information cannot be handled most effectively and efficiently.

Appendix

1. Reorganization Plan No. 1 of 1968.
2. Reorganization Plan No. 2 of 1973.
3. Attorney General William French Smith memorandum, 6/22/81, captioned: "Administration of DEA: Relationship Between DEA and FBI."
4. Attorney General's Press Conference, 1/21/82.
5. Departmental Order No. 968-82, and basis of authority: 5 U.S.C. 301, 21 U.S.C. 871, and 28 U.S.C. 509, 510. Also see Tabs 1 and 2.
6. 47 FR 4989, 2/3/82.
7. Attorney General letter to public interest groups, captioned: "RE: DEA/FBI Reorganization," 2/19/82.
8. Implementation Directive For Concurrent Drug Investigative Jurisdiction Between the Drug Enforcement Administration and the Federal Bureau of Investigation.
9. 28 CFR, Section 0.85(a).
10. 28 CFR, Section 0.102.
11. Director, FBI, letter to the Attorney General, dated 3/87.
12. Attorney General Press Release, 4/22/87.
13. All SACs Airtel, 5/7/86.
14. Federal Drug Crosscut Tables.
15. National Drug Enforcement Policy Board, "National and International Drug Law Enforcement Strategy," 1/87, and Office of National Drug Control Policy, "National Drug Control Strategy" 9/89.
16. Anti-Drug Abuse Act of 1988, Resource Summary.

UNITED STATES CODE
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Convened January 15, 1968
Adjourned October 14, 1968

Volume 3

LEGISLATIVE HISTORY
PROCLAMATIONS
EXECUTIVE ORDERS
REORGANIZATION PLANS
TABLES and INDEX

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REORGANIZATION PLAN NO. 1 OF 1968

RE NARCOTICS AND DANGEROUS DRUGS

On February 7th, President Johnson submitted to Congress Reorganization Plan No. 1 of 1968, which would create a new and unified Bureau of Narcotics and Dangerous Drugs. The text of the President's message and the terms of the Plan follow. 114 Congressional Record H 878 (H.Doc.No.249).

To the Congress of the United States:

In my first Reorganization Plan of 1968, I call for the creation of a new and powerful Bureau of Narcotics and Dangerous Drugs.

With this action, America will serve notice to the pusher and the peddler that their criminal acts must stop.

No matter how well organized they are, we will be better organized. No matter how well they have concealed their activities, we will root them out.

Today, Federal investigation and enforcement of our narcotics laws are fragmented. One major element—the Bureau of Narcotics—is in the Treasury Department and responsible for the control of marihuana and narcotics such as heroin. Another—the Bureau of Drug Abuse Control—is in the Department of Health, Education, and Welfare, and is responsible for the control of dangerous drugs including depressants, stimulants, and hallucinogens such as LSD.

Neither is located in the agency which is primarily concerned with Federal law enforcement—the Department of Justice.

This separation of responsibilities—despite the relentless and dedicated efforts of the agents of each Bureau—has complicated and hindered our response to a national menace.

For example, more than nine out of ten seizures of LSD made by the Bureau of Drug Abuse Control have also turned up marihuana—but that Bureau has no jurisdiction over marihuana.

In many instances, we are confronted by well organized, disciplined and resourceful criminals who reap huge profits at the expense of their unfortunate victims.

The response of the Federal Government must be unified. And it must be total.

Today, in my Message on Crime, I recommended strong new laws to control dangerous drugs. I also recommended an increase of more than thirty percent in the number of Federal agents enforcing the narcotic and dangerous drug laws.

I now propose that a single Bureau of Narcotics and Dangerous Drugs be established in the Department of Justice to administer those laws and to bring to the American people the most efficient and effective Federal enforcement machinery we can devise.

Under this Reorganization Plan the Attorney General will have full authority and responsibility for enforcing the Federal laws relating to narcotics and dangerous drugs. The new Bureau of Narcotics and Dangerous Drugs, to be headed by a Director appointed by the Attorney General, will:

- —consolidate the authority and preserve the experience and manpower of the Bureau of Narcotics and the Bureau of Drug Abuse Control.
- —work with states and local governments in their crackdown on illegal trade in drugs and narcotics, and help to train local agents and investigators.
- —maintain worldwide operations, working closely with other nations, to suppress the trade in illicit narcotics and marihuana.
- —conduct an extensive campaign of research and a nationwide public education program on drug abuse and its tragic effects.

The Plan I forward today moves in the direction recommended by two distinguished groups:

—the 1949 Hoover Commission.

—the 1963 Presidential Advisory Commission on Narcotic and Drug Abuse.

This Administration and this Congress have the will and the determination to stop the illicit traffic in drugs.

But we need more than the will and the determination. We need a modern and efficient instrument of Government to transform our plans into action. That is what this Reorganization Plan calls for.

The Plan has been prepared in accordance with chapter 9 of title 5 of the United States Code.

I have found, after investigation, that each reorganization included in the plan is necessary to accomplish one or more of the purposes set forth in section 901(a) of title 5 of the United States Code.

I have also found that, by reason of these reorganizations, it is necessary to include in the accompanying plan provisions for the appointment and compensation of the five new positions as specified in section 3 of the plan. The rates of compensation fixed for these new positions are those which I have found to prevail in respect of comparable positions in the Executive Branch of the Government.

Should the reorganization I propose take effect, they will make possible more effective and efficient administration of Federal law enforcement functions. It is not practicable at this time, however, to itemize the reduction in expenditures which may result.

I recommend that the Congress allow this urgently needed and important Reorganization Plan to become effective.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *February 7, 1968.*

REORGANIZATION PLAN NO. 1 OF 1968

Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, February 7, 1968, pursuant to the provisions of chapter 9 of title 5 of the United States Code.

NARCOTICS; DRUG ABUSE CONTROL

Section 1. Transfer of functions from Treasury Department. There are hereby transferred to the Attorney General:

(a) Those functions of the Secretary of the Treasury which are administered through or with respect to the Bureau of Narcotics.

(b) All functions of the Bureau of Narcotics, of the Commissioner of Narcotics, and of all other officers, employees and agencies of the Bureau of Narcotics.

(c) So much of other functions or parts of functions of the Secretary of the Treasury and the Department of the Treasury as is incidental to or necessary for the performance of the functions transferred by paragraphs (a) and (b) of this section.

Sec. 2. Transfer of functions from the Department of Health, Education, and Welfare. There are hereby transferred to the Attorney General:

(a) The functions of the Secretary of Health, Education, and Welfare under the Drug Abuse Control Amendments of 1965 (Public Law 89–74; 79 Stat. 226), except the function of regulating the counterfeiting of those drugs which are not controlled "depressant or stimulant" drugs.

(b) So much of other functions or parts of functions of the Secretary of Health, Education, and Welfare, and of the Department of Health, Education, and Welfare, as is incidental to or necessary for the performance of the functions transferred by paragraph (a) of this section.

Sec. 3. Bureau of Narcotics and Dangerous Drugs.

(a) There is established in the Department of Justice an agency which shall be known as the Bureau of Narcotics and Dangerous Drugs. The Bureau shall be headed by a Director who shall be appointed by the Attorney General to a position in the competitive service. The Director shall perform such duties as the Attorney General shall prescribe, and shall receive compensation at the rate now or hereafter provided for Level V of the Executive Schedule Pay Rates (5 U.S.C. 5316).

(b) There are hereby established in the Department of Justice, in addition to the positions transferred to that Department by this Plan, four new positions, appointment to which shall be made by the Attorney General in the competitive service. Two of those positions shall have compensation at the rate now or hereafter provided for GS–18 positions of the General Schedule and the other two shall have compensation at the rate now or hereafter provided for GS–16 positions of the General Schedule (5 U.S.C. 5332). Each such position shall have such title and duties as the Attorney General shall prescribe.

Sec. 4. Abolition. The Bureau of Narcotics in the Department of the Treasury, including the office of Commissioner of Narcotics (21 U.S.C. 161), is hereby abolished. The Secretary of the Treasury shall make such provision as he may deem necessary with respect to terminating those affairs of the Bureau of Narcotics not otherwise provided for in this reorganization plan.

Sec. 5. Performance of transferred functions. The Attorney General may from time to time make such provisions as he shall deem appropriate authorizing the performance of any of the functions transferred to him by the provisions of this reorganization plan by any officer, employee, or organizational entity of the Department of Justice.

Sec. 6. Incidental transfers. (a) There are hereby transferred to the Department of Justice all of the positions, personnel, property, records, and unexpended balances of appropriations, allocations, and other funds, available or to be made available, (1) of the Bureau of Narcotics, and (2) of the Bureau of Drug Abuse Control of the Department of Health, Education, and Welfare.

(b) There shall be transferred to the Department of Justice, at such time or times as the Director of the Bureau of the Budget shall direct, so much as the Director shall determine of other positions, personnel, property, records and unexpended balances of appropriations, allocations, and other funds of the Department of the Treasury and of the Department of Health, Education, and Welfare employed, used, held, available or to be made available in connection with functions transferred by the provisions of this reorganization plan.

(c) Such further measures and dispositions as the Director of the Bureau of the Budget shall deem to be necessary in order to effectuate the transfers provided in this section shall be carried out in such manner as he may direct and by such agencies as he shall designate.

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Volume 2

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EXECUTIVE ORDERS
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TABLES and INDEX

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REORGANIZATION PLAN NO. 2 OF 1973

RE A DRUG ENFORCEMENT ADMINISTRATION

On March 28th, President Nixon submitted to Congress Reorganization Plan No. 2 of 1973, which would consolidate anti-drug enforcement activities of the Federal Government into one Drug Enforcement Administration in the Department of Justice. The text of the President's message and the terms of the Plan follow. 119 Congressional Record H 2194 (H Doc.No. 93–69).

To the Congress of the United States:

Drug abuse is one of the most vicious and corrosive forces attacking the foundations of American society today. It is a major cause of crime and a merciless destroyer of human lives. We must fight it with all of the resources at our command.

This Administration has declared all-out, global war on the drug menace. As I reported to the Congress earlier this month in my State of the Union message, there is evidence of significant progress on a number of fronts in that war.

Both the rate of new addiction to heroin and the number of narcotic-related deaths showed an encouraging downturn last year. More drug addicts and abusers are in treatment and rehabilitation programs than ever before.

Progress in pinching off the supply of illicit drugs was evident in last year's stepped-up volume of drug seizures worldwide—which more than doubled in 1972 over the 1971 level.

Arrests of traffickers have risen by more than one-third since 1971. Prompt Congressional action on my proposal for mandatory minimum sentences for pushers of hard drugs will help ensure that convictions stemming from such arrests lead to actual imprisonment of the guilty.

Notwithstanding these gains, much more must be done. The resiliance of the international drug trade remains grimly impressive—current estimates suggest that we still intercept only a small fraction of all the heroin and cocaine entering this country. Local police still find that more than one of every three suspects arrested for street crimes is a narcotic abuser or addict. And the total number of Americans addicted to narcotics, suffering terribly themselves and inflicting their suffering on countless others, still stands in the hundreds of thousands.

A UNIFIED COMMAND FOR DRUG ENFORCEMENT

Seeking ways to intensify our counter-offensive against this menace, I am asking the Congress today to join with this Administration in strengthening and streamlining the Federal drug law enforcement effort.

Funding for this effort has increased sevenfold during the past five years, from $36 million in fiscal year 1969 to $257 million in fiscal year 1974—more money is not the most pressing enforcement need at present. Nor is there a primary need for more manpower working on the problem, over 2100 new agents having already been added to the Federal drug enforcement agencies under this Administration, an increase of more than 250 percent over the 1969 level.

The enforcement work could benefit significantly, however, from consolidation of our anti-drug forces under a single unified command. Right now the Federal Government is fighting the war on drug abuse under a distinct handicap, for its efforts are those of a loosely confederated alliance facing a resourceful, elusive, worldwide enemy. Admiral Mahan, the master naval strategist, described this handicap precisely when he wrote that "Granting the same aggregate of force, it is never as great in two hands as in one, because it is not perfectly concentrated."

More specifically, the drug law enforcement activities of the United States now are not merely in two hands but in half a dozen. Within the Department of Justice, with no overall direction below the level of the Attorney General, these fragmented forces include the Bureau of Narcotics and Dangerous Drugs, the Office for Drug Abuse Law Enforcement, the Office of National Narcotics Intelligence, and certain activities of the Law Enforcement Assistance Administration. The Treasury Department is also heavily engaged in enforcement work through the Bureau of Customs.

This aggregation of Federal activities has grown up rapidly over the past few years in response to the urgent need for stronger anti-drug measures. It has enabled us to make a very encouraging beginning in the accelerated drug enforcement drive of this Administration.

But it also has serious operational and organizational shortcomings. Certainly the cold-blooded underworld networks that funnel narcotics from suppliers all over the world into the veins of American drug victims are no respecters of the bureaucratic dividing lines that now complicate our anti-drug efforts. On the contrary, these modern-day slave traders can derive only advantage from the limitations of the existing organizational patchwork. Experience has now given us a good basis for correcting those limitations, and it is time to do so.

I therefore propose creation of a single, comprehensive Federal agency within the Department of Justice to lead the war against illicit drug traffic.

Reorganization Plan No. 2 of 1973, which I am transmitting to the Congress with this message, would establish such an agency, to be called the Drug Enforcement Administration. It would be headed by an Administrator reporting directly to the Attorney General.

The Drug Enforcement Administration would carry out the following anti-drug functions, and would absorb the associated manpower and budgets:

- All functions of the Bureau of Narcotics and Dangerous Drugs (which would be abolished as a separate entity by the reorganization plan);
- Those functions of the Bureau of Customs pertaining to drug investigations and intelligence (to be transferred from the Treasury Department to the Attorney General by the reorganization plan);
- All functions of the Office for Drug Abuse Law Enforcement; and
- All functions of the Office of National Narcotics Intelligence.

Merger of the latter two organizations into the new agency would be effected by an executive order dissolving them and transferring their functions, to take effect upon approval of Reorganization Plan No. 2 by the Congress. Drug law enforcement research currently funded by the Law Enforcement Assistance Administration and other agencies would also be transferred to the new agency by executive action.

The major responsibilities of the Drug Enforcement Administration would thus include:

- development of overall Federal drug law enforcement strategy, programs, planning, and evaluation;
- full investigation and preparation for prosecution of suspects for violations under all Federal drug trafficking laws;
- full investigation and preparation for prosecution of suspects connected with illicit drugs seized at U. S. ports-of-entry and international borders;
- conduct of all relations with drug law enforcement officials of foreign governments, under the policy guidance of the Cabinet Committee on International Narcotics Control;

- full coordination and cooperation with State and local law enforcement officials on joint drug enforcement efforts; and
- regulation of the legal manufacture of drugs and other controlled substances under Federal regulations.

The Attorney General, working closely with the Administrator of this new agency, would have authority to make needed program adjustments. He would take steps within the Department of Justice to ensure that high priority emphasis is placed on the prosecution and sentencing of drug traffickers following their apprehension by the enforcement organization. He would also have the authority and responsibility for securing the fullest possible cooperation—particularly with respect to collection of drug intelligence—from all Federal departments and agencies which can contribute to the anti-drug work, including the Internal Revenue Service and the Federal Bureau of Investigation.

My proposals would make possible a more effective anti-drug role for the FBI, especially in dealing with the relationship between drug trafficking and organized crime. I intend to see that the resources of the FBI are fully committed to assist in supporting the new Drug Enforcement Administration.

The consolidation effected under Reorganization Plan No. 2 would reinforce the basic law enforcement and criminal justice mission of the Department of Justice. With worldwide drug law enforcement responsibilities no longer divided among several organizations in two different Cabinet departments, more complete and cumulative drug law enforcement intelligence could be compiled. Patterns of international and domestic illicit drug production, distribution, and sale could be more directly compared and interpreted. Case-by-case drug law enforcement activities could be more comprehensively linked, cross-referenced, and coordinated into a single, organic enforcement operation. In short, drug law enforcement officers would be able to spend more time going after the traffickers and less time coordinating with one another.

Such progress could be especially helpful on the international front. Narcotics control action plans, developed under the leadership of the Cabinet Committee on International Narcotics Control, are now being carried out by U. S. officials in cooperation with host governments in 59 countries around the world. This wide-ranging effort to cut off drug supplies before they ever reach U. S. borders or streets is just now beginning to bear fruit. We can enhance its effectiveness, with little disruption of ongoing enforcement activities, by merging both the highly effective narcotics force of overseas Customs agents and the rapidly developing international activities of the Bureau of Narcotics and Dangerous Drugs into the Drug Enforcement Administration. The new agency would work closely with the Cabinet Committee under the active leadership of the U. S. Ambassador in each country where anti-drug programs are underway.

Two years ago, when I established the Special Action Office for Drug Abuse Prevention within the Executive Office of the President, we gained an organization with the necessary resources, breadth, and leadership capacity to begin dealing decisively with the "demand" side of the drug abuse problem—treatment and rehabilitation for those who have been drug victims, and preventive programs for potential drug abusers. This year, by permitting my reorganization proposals to take effect, the Congress can help provide a similar capability on the "supply" side. The proposed Drug Enforcement Administration, working as a team with the Special Action Office, would arm Americans with a potent one-two punch to help us fight back against the deadly menace of drug abuse. I ask full Congressional cooperation in its establishment.

IMPROVING PORT-OF-ENTRY INSPECTIONS

No heroin or cocaine is produced within the United States; domestic availability of these substances results solely from their illegal importation. The careful and complete inspection of all persons and goods coming into the United States is therefore an integral part of effective Federal drug law enforcement.

At the present time, however, Federal responsibility for conducting port-of-entry inspections is awkwardly divided among several Cabinet departments. The principal agencies involved are the Treasury Department's Bureau of Customs, which inspects goods, and the Justice Department's Immigration and Naturalization Service, which inspects persons and their papers. The two utilize separate inspection procedures, hold differing views of inspection priorities, and employ dissimilar personnel management practices.

To reduce the possibility that illicit drugs will escape detection at ports-of-entry because of divided responsibility, and to enhance the effectiveness of the Drug Enforcement Administration, the reorganization plan which I am proposing today would transfer to the Secretary of the Treasury all functions currently vested in Justice Department officials to inspect persons, or the documents of persons.

When the plan takes effect, it is my intention to direct the Secretary of the Treasury to use the resources so transferred—including some 1,000 employees of the Immigration and Naturalization Service—to augment the staff and budget of the Bureau of Customs. The Bureau's primary responsibilities would then include:

- inspection of all persons and goods entering the United States;
- valuation of goods being imported, and assessment of appropriate tariff duties;
- interception of contraband being smuggled into the United States;
- enforcement of U. S. laws governing the international movement of goods, except the investigation of contraband drugs and narcotics; and
- turning over the investigation responsibility for all drug law enforcement cases to the Department of Justice.

The reorganization would thus group most port-of-entry inspection functions in a single Cabinet department. It would reduce the need for much day-to-day interdepartmental coordination, allow more efficient staffing at some field locations, and remove the basis for damaging inter-agency rivalries. It would also give the Secretary of the Treasury the authority and flexibility to meet changing requirements in inspecting the international flow of people and goods. An important by-product of the change would be more convenient service for travellers entering and leaving the country.

For these reasons, I am convinced that inspection activities at U. S. ports-of-entry can more effectively support our drug law enforcement efforts if concentrated in a single agency. The processing of persons at ports-of-entry is too closely interrelated with the inspection of goods to remain organizationally separated from it any longer. Both types of inspections have numerous objectives besides drug law enforcement, so it is logical to vest them in the Treasury Department, which has long had the principal responsibility for port-of-entry inspection of goods, including goods being transported in connection with persons. As long as the inspections are conducted with full awareness of related drug concerns it is neither necessary nor desirable that they be made a responsibility of the primary drug enforcement organization.

DECLARATIONS

After investigation, I have found that each action included in Reorganization Plan No. 2 of 1973 is necessary to accomplish one or more of the purposes set forth in Section 901(a) of Title 5 of the United States Code. In particular, the plan is responsive to the intention of the Congress as expressed in Section 901(a)(1): "to promote better execution of the laws, more effective management of the executive branch and of its agencies and functions, and expeditious administration of the public business;" Section 901(a)(3): "to increase the efficiency of the operations of the Government to the fullest extent practicable;" Section 901(a)(5): "to reduce the number of agencies by consolidating those having similar functions under a single head, and to abolish such agencies or functions as may not be necessary for the efficient conduct of the Government;" and Section 901(a)(6): "to eliminate overlapping and duplication of effort."

As required by law, the plan has one logically consistent subject matter: consolidation of Federal drug law enforcement activities in a manner designed to increase their effectiveness.

The plan would establish in the Department of Justice a new Administration designated as the Drug Enforcement Administration. The reorganizations provided for in the plan make necessary the appointment and compensation of new officers as specified in Section 5 of the plan. The rates of compensation fixed for these officers would be comparable to those fixed for officers in the executive branch who have similar responsibilities.

While it is not practicable to specify all of the expenditure reductions and other economies which may result from the actions proposed, some savings may be anticipated in administrative costs now associated with the functions being transferred and consolidated.

The proposed reorganization is a necessary step in upgrading the effectiveness of our Nation's drug law enforcement effort. Both of the proposed changes would build on the strengths of established agencies, yielding maximum gains in the battle against drug abuse with minimum loss of time and momentum in the transition.

I am confident that this reorganization plan would significantly increase the overall efficiency and effectiveness of the Federal Government. I urge the Congress to allow it to become effective.

RICHARD NIXON.

THE WHITE HOUSE,
March 28, 1973.

REORGANIZATION PLAN NO. 2 OF 1973

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, March 28, 1973, pursuant to the provisions of Chapter 9 of Title 5 of the United States Code.)

LAW ENFORCEMENT IN ILLICIT DRUG ACTIVITIES

Section 1. Transfers to the Attorney General. There are hereby transferred from the Secretary of the Treasury, the Department of the Treasury, and any other officer or any agency of the Department of the Treasury to the Attorney General all intelligence, investigative, and law enforcement functions vested by law in the Secretary, the Department, officers, or agencies which relate to the suppression of illicit traffic in narcotics, dangerous drugs, or marihuana, except that the Secretary shall retain, and continue to perform, those functions, to the extent that they relate to searches and seizures of illicit narcotics, dangerous drugs, or marihuana or to the apprehension or detention of persons in connection therewith, at regular inspection locations at ports of entry or anywhere along the land or water borders of the United States: *Provided*, that any illicit narcotics, dangerous drugs, marihuana, or related evidence seized, and any person apprehended or detained by the Secretary or any officer of the Department of the Treasury, pursuant to the authority retained in them by virtue of this section, shall be turned over forthwith to the jurisdiction of the Attorney General: *Provided further*, that nothing in this section shall be construed as limiting in any way any authority vested by law in the Secretary of the Treasury, the Department of the Treasury, or any other officer or any agency of that Department on the effective date of this

Plan with respect to contraband other than illicit narcotics, dangerous drugs, and marihuana; and *Provided further*, that nothing in this section shall be construed as limiting in any way any authority the Attorney General, the Department of Justice, or any other officer or any agency of that Department may otherwise have to make investigations or engage in law enforcement activities, including activities relating to the suppression of illicit traffic in narcotics, dangerous drugs, and marihuana, at ports of entry or along the land and water borders of the United States.

Sec. 2. Transfers to the Secretary of the Treasury. There are hereby transferred to the Secretary of the Treasury all functions vested by law in the Attorney General, the Department of Justice, or any other officer or any agency of that Department, with respect to the inspection at regular inspection locations at ports of entry of persons, and documents of persons, entering or leaving the United States; *Provided*, that any person apprehended or detained by the Secretary or his designee pursuant to this section shall be turned over forthwith to the jurisdiction of the Attorney General; and, *Provided further*, that nothing in this section shall be construed as limiting, in any way, any other authority that the Attorney General may have with respect to the enforcement, at ports of entry or elsewhere, of laws relating to persons entering or leaving the United States.

Sec. 3. Abolition. The Bureau of Narcotics and Dangerous Drugs, including the Office of Director thereof, is hereby abolished, and section 1(a) of Reorganization Plan No. 1 of 1968 is hereby repealed. The Attorney General shall make such provision as he may deem necessary with respect to terminating those affairs of the Bureau of Narcotics and Dangerous Drugs not otherwise provided for in this Reorganization Plan.

Sec. 4. Drug Enforcement Administration. There is established in the Department of Justice an agency which shall be known as the Drug Enforcement Administration, hereinafter referred to as "the Administration."

Sec. 5. Officers of the Administration. (a) There shall be at the head of the Administration the Administrator of Drug Enforcement, hereinafter referred to as "the Administrator." The Administrator shall be appointed by the President by and with the advice and consent of the Senate, and shall receive compensation at the rate now or hereafter prescribed by law for positions of level III of the Executive Schedule Pay Rates (5 U.S.C. 5314). He shall perform such functions as the Attorney General shall from time to time direct.

(b) There shall be in the Administration a Deputy Administrator of the Drug Enforcement Administration, hereinafter referred to as "the Deputy Administrator," who shall be appointed by the President by and with the advice and consent of the Senate, shall perform such functions as the Attorney General may from time to time direct, and shall receive compensation at the rate now or hereafter prescribed by law for positions of level V of the Executive Schedule Pay Rates (5 U.S.C. 5316).

(c) The Deputy Administrator or such other official of the Department of Justice as the Attorney General shall from time to time designate shall act as Administrator during the absence or disability of the Administrator or in the event of a vacancy in the office of Administrator.

Sec. 6. Performance of transferred functions. (a) The Attorney General may from time to time make such provisions as he shall deem appropriate authorizing the performance of any of the functions transferred to him by the provisions of this Reorganization Plan by any officer, employee, or agency of the Department of Justice.

(b) The Secretary of the Treasury may from time to time make such provisions as he shall deem appropriate authorizing the performance of any of the functions transferred to him by the provisions of this Reorganization Plan by any officer, employee, or agency of the Department of the Treasury.

Sec. 7. Coordination. The Attorney General, acting through the Administrator and such other officials of the Department of Justice as he may designate, shall provide for the coordination of all drug law enforcement functions vested in the Attorney General so as to assure maximum cooperation between and among the Administration, the Federal Bureau of Investigation, and other units of the Department involved in the performance of these and related functions.

Sec. 8. Incidental transfers. (a) So much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds employed, used, held, available or to be made available in connection with the functions transferred to the Attorney General and to the Secretary of the Treasury by this Reorganization Plan as the Director of the Office of Management and Budget shall determine shall be transferred to the Department of Justice and to the Department of the Treasury, respectively, at such time or times as the Director shall direct.

(b) Such further measures and dispositions as the Director of the Office of Management and Budget shall deem to be necessary in order to effectuate transfers referred to in subsection (a) of this section shall be carried out in such manner as he shall direct and by such Federal agencies as he shall designate.

Sec. 9. Interim Officers. (a) The President may authorize any person who, immediately prior to the effective date of this Reorganization Plan, held a position in the Executive Branch of the Government to act as Administrator until the office of Administrator is for the first time filled pursuant to the provisions of this Reorganization Plan or by recess appointment as the case may be.

(b) The President may similarly authorize any such person to act as Deputy Administrator.

(c) The President may authorize any person who serves in an acting capacity under the foregoing provisions of this section to receive the compensation attached to the office in respect to which he so serves. Such compensation, if authorized, shall be in lieu of, but not in addition to, other compensation from the United States to which such person may be entitled.

Sec. 10. Effective date. The provisions of this Reorganization Plan shall take effect as provided by section 906(a) of title 5 of the United States Code or on July 1, 1973, whichever is later.

Office of the Attorney General
Washington, D.C. 20530

June 22, 1981

MEMORANDUM TO: Edward C. Schmults
Deputy Attorney General

William H. Webster
Director, F.B.I.

Rudolph W. Giuliani
Associate Attorney General

FROM: William French Smith
Attorney General

SUBJECT: Administration of DEA;
Relationship Between DEA and FBI

With respect to DEA, its operation in the immediate future and its relationship to the FBI, I am taking and directing the following actions.

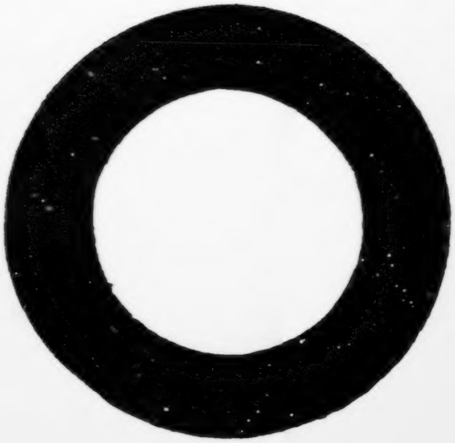
Upon the recommendation of Director Webster, I am appointing Francis M. Mullen, Jr. as the Acting Administrator of DEA, effective July 11, 1981. Mr. Mullen will retain his status as an agent of the FBI while serving as the Acting Administrator of DEA.

DEA will continue to report to me through the Deputy Attorney General and the Associate Attorney General. The Acting Administrator will operate DEA in a close cooperative relationship with the FBI. Director Webster will be responsible for the development of combined investigative strategies and programs.

I am also appointing a Committee, to be chaired by the Associate Attorney General, to study and to report to me concerning the most effective method for coordinating DEA and FBI drug enforcement efforts, including whether or not to consolidate the two agencies. The Committee will not make decisions with respect to particular cases or investigations, nor will it involve itself in day-to-day operations or management decisions, which will be handled as above.

The Committee will consist of:

The Associate Attorney General
The Director of the FBI
The Acting Administrator of DEA
The Assistant Attorney General, Criminal Division
The Assistant Attorney General, Office of Legal Counsel
The Assistant Attorney General, Office of Legal Policy
Associate Deputy Attorney General, Stanley E. Morris
The present Administrator of DEA, Peter Bensinger



Attorney General's Press Conference, Thursday, January 21, 1982 at DEA Headquarters Regarding DEA/FBI Reorganization

Good morning. If everyone's ready, we will get started. I believe you have, I hope you have three pieces of paper of the press release announcing the actions that the Attorney General is taking today, the chronology of Federal drug enforcement and a copy of the Attorney General's statement. Here to make the announcement today is, of course, Attorney General William French Smith to my immediate left. Also here, FBI Director Judge William Webster; further over to my right, the Associate Attorney General Rudolph W. Guiliani, who was the chairman of the Justice Department committee that formulated the report upon which today's announcements are based. And furthest to the left is the newest Presidential nominee, the Administrator Designate of the Drug Enforcement Administration, Bud Mullen. We will have brief opening statements and then Judge Webster and Administrator Mullen will take your questions.

Attorney General:

As Tom has said, I have a brief statement to make after which Judge Webster and Bud Mullen will make a short statement and then we will have questions. Today I am announcing several significant steps in this Administration's fight against drug trafficking. I am today assigning the Federal Bureau of Investigations jurisdiction to investigate Federal drug offenses. This will for the first time in our nation's history bring the full resources of the FBI to bear on the problem of drug domestic trafficking. This move is just part of the Department's overall effort to achieve more effective drug enforcement through coordinated efforts involving the Drug Enforcement Administration, the FBI, the United States Attorneys, and other agencies in this, and other Departments. The DEA, of course, will continue its fine work in the field of drug enforcement. For years, the

Drug Enforcement Administration has done fine work at home and abroad. DEA has accomplished a great deal and, in deed, it has done so without the full support of the prior Administration. I want to praise our DEA agents once again as I have on many occasions in the past for their bravery, hard work, and many successes over the years. I am confident that an infusion of FBI resources to supplement those of DEA will aid immeasurably in national drug enforcement campaign. Through a unified effort involving the DEA and the FBI, our prosecutors and others will have the resources and the expertise to attack the upper echelons and the financial structures of the nation's largest drug trafficking organizations.

I also want to announce that I am assigning to Director Webster of the FBI general supervision over our drug enforcement efforts, with specific responsibility to assure that the maximum available resources are used effectively to supplement DEA and to conduct joint and spin-off investigations of drug violations and related crimes. Further, the President announced this morning that he will nominate Francis M. Mullen, Jr. to be Administrator of the DEA. I am also creating a high level Justice Department committee to oversee the development of drug policy and to assure that all of the Department's resources, including its prosecutorial and correctional efforts, are effectively engaged in the effort against drug trafficking. I expect this committee to coordinate the efforts of all agencies in the Justice Department to assure that we can prosecute those that we arrest and incarcerate those we convict. In making these changes, I am acting upon the recommendations of a committee I appointed last June to study the complex issues surrounding increased DEA/FBI cooperation. That committee made other recommendations which I am adopting today, including the commencement of cross-training and agent rotation programs for DEA and FBI agents; and measures which would make agent qualifications uniform. I am confident that our efforts under this new structure will have a substantial impact on the nation's major drug trafficking groups. Our accomplishments over the last six months have increased; DEA/FBI cooperation bear this out. Since July, the number of joint DEA/FBI investigations has increased from 15 to 125. We now have significant investigations underway in places where such investigations were virtually impossible before. Without doubt, drug trafficking is the most serious crime facing us today. This Administration is dedicated to improving national drug enforcement. The actions taken today are truly of historic significance. I believe they will prove to be among the most important actions I will take in this office. Drug enforcement will have the resources, the expertise and the support to bring this vast problem under control and to improve the quality of our lives accordingly. Thank you very much.

Director Webster:
Thank you, Mr. Attorney General. I have very little to add except to say that the FBI has for a number of years been looking at this problem, analyzing its own ability to step in and help with the problem. We believe that we are ready and we accept the challenge. We are ready to lock arms with our colleagues in the Drug Enforcement Administration and we hope that the new arrangements as we get into them, will prove the flexibility and coordination; the mobility that the resources of the FBI can bring to bear on the overtaxed requirements and responsibilities of the Drug Enforcement Administration will help to discharge the Attorney General's mandate to bring this problem under control. And I have every confidence that the President's choice for Administrator of the Drug Enforcement Administration assures the level of cooperation that we need to do this.

Mr. Mullen:
Thank you, Judge, Mr. Attorney General, thank you for your confidence in nominating me, nominating me to the President for this position. I have to say that at DEA

I have found a group of dedicated people. I think they have been asked to do an awful lot with inadequate resources and I think what is happening sends a clear message to DEA, to the public and the message is not that you have not done the job, but that you have been asked to do big job and now you are going to get some help. I believe, Mr. Attorney General, you have put together a formidable team here. I have had the unique experience in the past few months of being able to observe both agencies. We're excited. We're confident and, General, we are going to succeed.

Question for Judge Webster:
Regarding resources for DEA, does that mean that other aspects of the FBI total will suffer and are you planning to ask Congress for more money?
Answer: We are going to tackle those problems as they come along, but the FBI's primary investigative priorities in constant(?) with the Attorney General and the President have been the problems of violent crime, organized crime, white collar crime, and of course, foreign counter-intelligence. And today's drugs are not a new experience for us. For at least three years, we have been working drug cases under our organized crime responsibility. The Banco case, the Banco-Shares(?) case, and others that you will soon be hearing about. I can't tell you in candor that the efforts that we make in drugs will not require reallocation of funds from other places, but we intend to do as we have done in the past to make quality work the standard of where our resources are applied.

Answer: Well, I think we have a superb management team that we are putting together here. Bud Mullen is outstanding and has done an outstanding job during the last six months and, of course, Director Webster's record speaks for itself. And we don't have any doubt at all that under their management, that kind of thing, which of course, to a certain degree, exists in any organization will be minimized. Now it is true, there are other areas where improvement needs to be undertaken and as you know the President has already announced that he is going to form an interagency task force on drug enforcement. And that will be done because I don't think that we have had appropriate coordination between the State Department, Treasury, and so on, with respect to our overall efforts and we are going to turn to that aspect next on the agenda.

Question for the Attorney General: Why didn't you just merge the two, Mr. Attorney General?

Answer: Well, because each organization has its own strong points, strong relationships, for example, DEA as an organization has excellent relationships with local law enforcement people. They have definite assigned function. So also does the FBI and I can't say that merger is not a possibility in the future, that we are sufficiently pleased with the way it has worked over the past six months to want to give this organization, this arrangement, a long term trial. We think that probably it will be most successful operating this way. There are other problems too. We have, not problems, but procedures really, to merge would involve legislation, congressional action. Our experiment to date, doesn't indicate that kind of a procedure process is necessary at this point. There are also personnel problems which, as you, know, the status of the FBI people is different from that of DEA. That will have to be considered as time goes on.

Question for Director Webster: Isn't it in fact true that one of the considerations in deciding not to merge is that historically there have been problems in scandals involving drug enforcement agencies and some of them involving DEA and that there was concern among the FBI that its long tradition of being scandal free in having problems, and that the FBI was afraid of that problem and that their standards would be lowered by absorbing DEA and its agents?

Answer: I don't think I could answer "yes" to that because in the first place, drugs present an ongoing problem to all institutions. We have had them in the FBI. They have been minimal. The questions that I ask myself is whether the FBI had the discipline, whether we had the capability that we have developed through undercover experience and other things to make a serious contribution. There are differences in entrance requirements, training requirements, and others that need to be evaluated. We need to do some cross-training. We don't have, this approach does not present us with the trauma of making a number of very hard and unpopular decisions in either way we'd go on those decisions. We are learning to work together and the Attorney General's solution has full support of the committee that he appointed, the unanimous support of that committee, it has my support and it has Bud Mullen's support. I think we ought to give it a shot.

Question: Is there agent rotation now, since have had this operation for about six months, is there agent rotation now?

Answer: We have had no authority. It has been a cooperative effort so we have had no authority for agent rotation. The nominee for Administrator came over here on direction of the Attorney General. I assigned to go with him four or five of our best people in various fields to study the problems. We maintained a separate committee headed by Assistant Director Tom Kellerher, who studied the problem in this country, and in other parts of the world. We've learned a lot in that process, and I think unquestionably one of the first things we will do will be to have some interrelationships similar to the types we have had with CIA and other agencies.

Question: Do I understand that when in the future if I call the FBI and maybe actually a DEA person answering the phone who has been rotated over to the FBI?

Answer: Well, that's a possibility.

Question: Explain to me what this means. What do you mean by rotation? Are they going to be interchangeable?

Answer: I think you are looking a long ways down the road and we are not trying to solve all of our administrative problems overnight and certainly not here today. What we have in mind is making the FBI familiar with the procedures utilized in the Drug Enforcement Administration and vice-versa.

Question: Are you welcoming DEA Agents into the cadre of FBI personnel at this time?

Answer: At the present time, we don't know how fast or to what extent we will have cross-deputation in the sense that a person becomes a special agent of the FBI or vice-versa, but we will have rotation of assignments in our Administration so that we can work better together. It is just common sense.

Question for Judge Webster: We haven't heard much about the Libyan Hit Squads lately, and I know tha' ot the subject today, but it i time now to call that off and apologize to Omar adhafi and say the whole thing s a hoax.

Answer: Absolutely not.

Question:

Are FBI agents now going to devote efforts at drug pushers in the street level and is drug pushing in the street level now going to become a Federal offense?

Answer: Well, the Attorney General made reference to cooperation with state and local law enforcement agencies. There are state and local laws that deal with drug pushing at the street level. The resources of the FBI will be applied as they have been consistently in the past and that is to do the work that state and local law enforcement can't do at all or can't do as well. Now, that means that we have capabilities that have not been available to DEA in the past, Title III court authorized wiretaps, the ability to put those in place and to utilized them, other techniques, communications and the application of almost 500 field offices around the country to coordinate with Drug Enforcement Administration in particular activities.

Question:

But is drug pushing at the street level now going to become a Federal offense?

Answer: Well, there's no new legislation in connection with the Attorney General's present package.

Question for Judge Webster:

What type of traffickers are the FBI going to go after? Is there going to be a change with this reorganization between DEA and FBI, is there going to be a change in the overall targetting effort?

Answer: Well, I don't want to commit us to where we are going to go. We are going to go where we are needed, and primarily that's going to be initially and obviously where there is an organized crime aspect to drug enforcement. And we are not just talking about traditional organized crime families, but amounts of violence in the country.

We are talking about Colombia cartels and others, motorcycle groups and other types of enterprises that are profitting from this system in creating vast amounts of violent in the country.

Question for Judge Webster: How soon do you expect legislation to remove DEA agents from the excepted service?

Answer: I can't answer that question. We have a committee which will be chaired by Associate Attorney General Guiliani that is going to address these broad policy questions, Bud Mullen is going to serve on that committee, and I'm going to serve on it. We need a lot more - that is ultimate objective because we believe it will increase the efficiency, flexibility and discipline of our combined resources.

Question: Is it a matter of months or is it a matter of years before they are not going to be under excepted service?

Answer: Well, I defer to the Attorney General on that but as we perfect our recommendations, they will be given to him and also in terms of timing.

Questions: Allegations have appeared in the press lately of major misconduct in the Abscam Investigation, both within the FBI and other sections of the Justice Department. In the last couple of days, the charges surfaced that Judge Webster attempted to cover up publication of the acts of misconduct, which includes connections between Prosecutor Thomas Puccio and the drug laws, Village Voice's own personal association to drug pushers and drug users and so on. Is there any investigation right now into the operations of the drug law in the Justice Department, specifically in the FBI?

Answer: Let me answer that by saying this. First of all, Director Webster hasn't covered up anything. I don't know of anybody in public service who has a higher standing from the standpoints of ethic, character and what have you. And any claim to the contrary is just totally irresponsible insofaras this particular case, the Abscam Case is a concern, there was some additional information which came to our attention; we have submitted that the court and so it's in the hands of the court and I would have no further comment on it.

Question: Did Judge Webster tell Jack Anderson that his information was bad or not? Jack Anderson, in his column over the last several days, said that Judge Webster told the men don't publish your information on Abscam, not true.

Answer: Well, I have no comment on what Jack Anderson may have said.

Question: If I may follow up, yesterday William F. Buckley, Jr., who is a former board member of the National Organization for Reform of Marihuana Laws and an admitted pot smoker was named to a position as a consultant to the National Security Council. Does that action, combined with this action today, spell the end of the Drug Enforcement Administration?

Answer: Certainly not and I consider any of those alleged statements - refer them back to the source.

Question: Can we go back to the question of resources of this program. Since the FBI already has about 10% fewer agents than they had just a few years ago, and essentially what you've got here is a program where the FBI will be assisting with manpower the drug enforcement effort. What I don't understand is that as serious people, you must have sat down and said to yourself, you

you can't just pray we'll have enough resources to cover everything. You must have just decided there are some places you will cut back. Where?

Answer: Is this to Director Webster or is this to me?

Question:

No, its to you. Where are you going to cut back? There is no way you can do all of this without a cut back somewhere.

Answer: Well, I think we all have to recognize that any organization would like to have more resources than it has. We would certainly welcome many more FBI agents and DEA agents than we now have. I think that goes without saying. Nevertheless, we recognize we have limited resources and what we are going to do is utilize those limited resources in the most effective way we can. Now, as a matter of fact it is true that we have 10% less than we had in 1976, but I want to add that that is not the doing of this Administration. That is the doing of the previous Administration.

Question:

That is not my question. My question is you must have identified areas where you can trim back as you devote agent time to drug enforcement.

Answer: We don't know at all that we are going to have to trim back. As a matter of fact, we think quite possibly that the increased effectiveness of this reorganization will permit us to do more in due course and do it more effectively than we have done it in the past with the same resources. As a matter of fact, it is also true that to a certain extent, this whole program is experimental, and we like what we have seen put to now. It is certainly quite possible that as we get more experience under this plan that we will begin to shift things from one area to another, but it is certainly far too soon now to be making that kind of judgment.

Question:

(--------------garbled____________) budgets for the last three years?

Answer: Well, we'll be announcing the figures with respect to the '83 budget I think next week.

Will that mean more money?

Answer: We think it will recognize, it will represent an appropriate recognition of the importance of law enforcement.

Question:

(----------------------garbled----------------------)

Answer: With regard to resources, we were already finding that for example 25% of the FBI organized crime cases were leading into drugs. We found for example, in the 125 joint investigations we have at present, 22 of these involve public corruption. This is an area where the FBI already had an entre or violation so we are trying to pick up these resources from areas where we already have a common interest.

Question:

Can you give us the actual DEA budget figures for the last three years.

Answer: I'll get those for you. This year, it is 230,000,000 million. I'm not exactly sure what it was for last year. I asked for 231,000,000 million and they gave me 230,000,000. I thought we did pretty good.

Question for Judge Webster:

What will be the international ramifications of this decision as FBI agents and DEA's personnel become more interchangeable? Does this now mean that FBI agents will now be collecting intelligence on drug trafficking in foreign countries.

Answer: I don't want to comment on the specifics of it, but before we made our recommendation to the Attorney General, the committee that I had formed in the Bureau traveled abroad, talked to a number of the intelligence and law enforcement agencies in key places, confirmed the information that had come to us through Mr. Mullen and his sources of information. I don't see any immediate shift of that kind. Drug Enforcement Administration is placed abroad, has skills in that area. As you correctly point out, the international problem, the source of drugs is one of the major keys to an utlimate solution to the problem, as is tant that an immigration program be passed and it be passed in this Congress and we are going to do everything that we can do to urge that result.

Office of the Attorney General
Washington, D.C. 20530

[28 CFR Part 0]

Order No. 968-82

Enforcement of the Criminal Drug Laws of the United States

AGENCY: Department of Justice

ACTION: Final Rule

SUMMARY: In order to insure maximum effectiveness and efficiency in the enforcement of the criminal drug laws of the United States, the Attorney General has decided to make the resources of the Federal Bureau of Investigation available to complement and supplement those of the Drug Enforcement Administration in this effort. To this end, this order authorizes the Director of the Federal Bureau of the Investigation, concurrently with the Administrator of the Drug Enforcement Administration, to investigate violations of the criminal drug laws of the United States. To insure complete coordination of the drug enforcement effort of the Department of Justice, the order places the Administrator under the general supervision of the Director.

EFFECTIVE DATE: January 28, 1982.

FOR FURTHER INFORMATION CONTACT: Kenneth A. Caruso, Special Assistant to the Associate Attorney General, Room 4114, U.S. Department of Justice, 10th and Pennsylvania Ave., N.W. Washington, D. C. 20530. Tel. (202) 633-4078.

SUPPLEMENTARY INFORMATION: This order is not a rule within th meaning of either Executive Order 12291 § 1(a) or the Regulator Flexibility Act, 5 U.S.C. § 601, et seq.

Accordingly, by virtue of the authority vested in me as Attorney General by 5 U.S.C. § 301, 21 U.S.C. § 871, 28 U.S.C. §§ 509, 510, Reorganization Plan No. 1 of 1968, § 5, and Reorganization Plan No. 2 of 1973, § 6, it is hereby orderd as follows:

1. Section 0.85(a) of title 28, Code of Federal Regulations is revised to read as follows:

§ 0.85 General functions

* * * * *

> (a) Investigate violations of the laws, including the criminal drug laws, of the United States and collect evidence in cases in which the United States is or may be a party in interest, except in cases in which such responsibility is by statute or otherwise specifically assigned to another investigative agency. The Director's authority to investigate violations of and collect evidence in cases involving the criminal drug laws of the

United States is concurrent with such authority of the Administrator of the Drug Enforcement Administration under section 0.100 of this part. In investigating violations of such laws and in collecting evidence in such cases, the Director may exercise so much of the authority vested in the Attorney General by sections 1 and 2 of Reorganization Plan No. 1 of 1968, section 1 of Reorganization Plan No. 2 of 1973 and the Comprehensive Drug Abuse Prevention and Control Act of 1970, as amended, as he determines is necessary. He may also release FBI information on the same terms and for the same purposes that the Administrator of the Drug Enforcement Administration may disclose DEA information under section 0.103 of this part.

* * * * *

2. A new § 0.102, to read as follows, is added to title 28, Code of Federal Regulations:

§ 0.102 Drug Enforcement Policy Coordination

The Administrator of the Drug Enforcement Administration shall perform his functions under the general supervision of the Director of the Federal Bureau of Investigation and shall report through him to the Attorney General, the Deputy Attorney General and the Associate Attorney General, as appropriate.

Date: January 28, 1982

William French Smith
Attorney General

UNITED STATES CODE ANNOTATED

Title 5

Government Organization and Employees

§§ 1 to 703

Official Revision and Codification of the Laws relating
to Government Organization and Employees, Under
Arrangement of Official Code of the Laws of
the United States
with
Annotations from Federal and State Courts

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CHAPTER 3—POWERS

Sec.

301. Departmental regulations.
302. Delegation of authority.
303. Oaths to witnesses.
304. Subpenas.
305. Systematic agency review of operations.

§ 301. Departmental regulations

The head of an Executive department or military department may prescribe regulations for the government of his department, the conduct of its employees, the distribution and performance of its business, and the custody, use, and preservation of its records, papers, and property. This section does not authorize withholding information from the public or limiting the availability of records to the public.

Pub.L. 89-554, Sept. 6, 1966, 80 Stat. 379.

Historical and Revision Notes

Derivation	United States Code	Revised Statutes and Statutes at Large
	5 U.S.C. 22.	R.S. § 161. Aug. 12, 1958, Pub.L. 85-619, 72 Stat. 547.

UNITED STATES CODE
ANNOTATED

Title 21

Food and Drugs
Sections 801 to 950

Comprising All Laws of a General and Permanent Nature
Under Arrangement of Official Code of
the Laws of the United States
with
Annotations from Federal and State Courts

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PART E—ADMINISTRATIVE AND ENFORCEMENT PROVISIONS

§ 871. Attorney General

Delegation of functions

(a) The Attorney General may delegate any of his functions under this subchapter to any officer or employee of the Department of Justice.

Rules and regulations

(b) The Attorney General may promulgate and enforce any rules, regulations, and procedures which he may deem necessary and appropriate for the efficient execution of his functions under this subchapter.

Acceptance of devises, bequests, gifts, and donations

(c) The Attorney General may accept in the name of the Department of Justice any form of devise, bequest, gift, or donation where the donor intends to donate property for the purpose of preventing or controlling the abuse of controlled substances. He may take all appropriate steps to secure possession of such property and may sell, assign, transfer, or convey any such property other than moneys.

Pub.L. 91-513, Title II, § 501, Oct. 27, 1970, 84 Stat. 1270.

Historical Note

References in Text. "This subchapter", referred to in subsecs. (a) and (b), was in the original "this title" which is Title II of Pub.L. 91-513, Oct. 27, 1970, 84 Stat. 1242, and is popularly known as the "Controlled Substances Act". For complete classification of Title II to the Code, see Short Title note set out under section 801 of this title and Tables volume.

Effective Date. Section effective Oct. 27, 1970, see section 704(b) of Pub.L. 91-513, set out as an Effective Date note under section 801 of this title.

Legislative History. For legislative history and purpose of Pub.L. 91-513, see 1970 U.S.Code Cong. and Adm.News, p. 4566.

UNITED STATES CODE ANNOTATED

Title 28

Judiciary and Judicial Procedure

§§ 171 to 1250

1988

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See page III

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§ 509. Functions of the Attorney General

All functions of other officers of the Department of Justice and all functions of agencies and employees of the Department of Justice are vested in the Attorney General except the functions—

(1) vested by subchapter II of chapter 5 of title 5 in administrative law judges employed by the Department of Justice,

(2) of the Federal Prison Industries, Inc.; and

(3) of the Board of Directors and officers of the Federal Prison Industries, Inc.

[(4) Repealed. Pub.L. 98–473, Title II, § 228(a)(2), Oct. 12, 1984, 98 Stat. 2030]

(As amended Pub.L. 95–251, § 2(a)(6), Mar. 27, 1978, 92 Stat. 183; Pub.L. 98–473, Title II, § 228(a), Oct. 12, 1984, 98 Stat. 2030.)

1984 Amendment. Pub.L. 98–473 struck out par. (4) which had related to the functions of the Board of Parole.

1978 Amendment. Pub.L. 95–251 substituted "administrative law judges" for "hearing examiners" in cl. (1).

UNITED STATES CODE ANNOTATED

Title 28

Judiciary and Judicial Procedure

§§ 171 to 1250

Official Revision and Codification of the
Laws relating to the Judiciary and Judicial Procedure,
Under Arrangement of Official Code of
the Laws of the United States
with
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§ 510. Delegation of authority

The Attorney General may from time to time make such provisions as he considers appropriate authorizing the performance by any other officer, employee, or agency of the Department of Justice of any function of the Attorney General.

Added Pub.L. 89-554, § 4(c), Sept. 6, 1966, 80 Stat. 612.

Historical and Revision Notes

Reviser's Notes

Derivation: United States Code	Revised Statutes and Statutes at Large
[Uncodified]	1950 Reorg. Plan No. 2, § 2, eff. May 24, 1950, 64 Stat. 1261.

Explanatory Notes. The words "including any function transferred to the Attorney General by the provisions of this reorganization plan" are omitted as executed and unnecessary as the words "any function of the Attorney General" include the functions transferred to the Attorney General by 1950 Reorg. Plan No. 2.

Codification. A prior section 510, Act June 25, 1948, c. 646, 62 Stat. 910, related to clerical assistants and messengers for United States attorneys, was repealed by Pub.L. 89-554, § 8(a), Sept. 6, 1966, 80 Stat. 632, and is now covered by section 550 of this title.

DEPARTMENT OF JUSTICE

Office of the Attorney General

28 CFR Part 0

[Order No. 960–82]

Enforcement of Criminal Drug Laws

AGENCY: Department of Justice.

ACTION: Final rule.

SUMMARY: In order to insure maximum effectiveness and efficiency in the enforcement of the criminal drug laws of the United States, the Attorney General has decided to make the resources of the Federal Bureau of Investigation available to complement and supplement those of the Drug Enforcement Administration in this effort. To this end, this order authorizes the Director of the Federal Bureau of Investigation, concurrently with the Administrator of the Drug Enforcement Administration, to investigate violations of the criminal drug laws of the United States. To insure complete coordination of the drug enforcement effort of the Department of Justice, the order places the Administrator under the general supervision of the Director.

EFFECTIVE DATE: January 28, 1982.

FOR FURTHER INFORMATION CONTACT: Kenneth A. Caruso, Special Assistant to the Associate Attorney General, Room 4114, U.S. Department of Justice, 10th and Pennsylvania Ave., NW., Washington, D.C. 20530. Tel. (202) 633-4078.

SUPPLEMENTARY INFORMATION: This order is not a rule within the meaning of either Executive Order 12291 section 1(a) or the Regulatory Flexibility Act, 5 U.S.C. 601, *et seq.*

PART 0—ORGANIZATION OF THE DEPARTMENT OF JUSTICE

Accordingly, by virtue of the authority vested in me as Attorney General by 5 U.S.C. 301, 21 U.S.C. 871, 28 U.S.C. 509, 510, Reorganization Plan No. 1 of 1968, section 5, and Reorganization Plan No. 2 of 1973, section 6, it is hereby ordered as follows:

1. Section 0.85(a) of Title 28, Code of Federal Regulations is revised to read as follows:

§ 0.85 General functions.

* * * * *

(a) Investigate violations of the laws, including the criminal drug laws, of the United States and collect evidence in cases in which the United States is or may be a party in interest, except in cases in which such responsibility is by statute or otherwise specifically assigned to another investigative agency. The Director's authority to investigate violations of and collect evidence in cases involving the criminal drug laws of the United States is concurrent with such authority of the Administrator of the Drug Enforcement Administration under § 0.100 of this part. In investigating violations of such laws and in collecting evidence in such cases, the Director may exercise so much of the authority vested in the Attorney General by sections 1 and 2 of Reorganization Plan No. 1 of 1968, section 1 of Reorganization Plan No. 2 of 1973 and the Comprehensive Drug Abuse Prevention and Control Act of 1970, as amended, as he determines is necessary. He may also release FBI information on the same terms and for the same purposes that the Administrator of the Drug Enforcement Administration may disclose DEA information under § 0.103 of this part.

* * * * *

2. A new § 0.102, to read as follows, is added to Title 28, Code of Federal Regulations:

§ 0.102 Drug enforcement policy coordination.

The Administrator of the Drug Enforcement Administration shall perform his functions under the general supervision of the Director of the Federal Bureau of Investigation and shall report through him to the Attorney General, the Deputy Attorney General and the Associate Attorney General, as appropriate.

Dated: January 28, 1982.

William French Smith,

Attorney General.

[FR Doc. 82-2781 Filed 2-2-82; 8:45 am]

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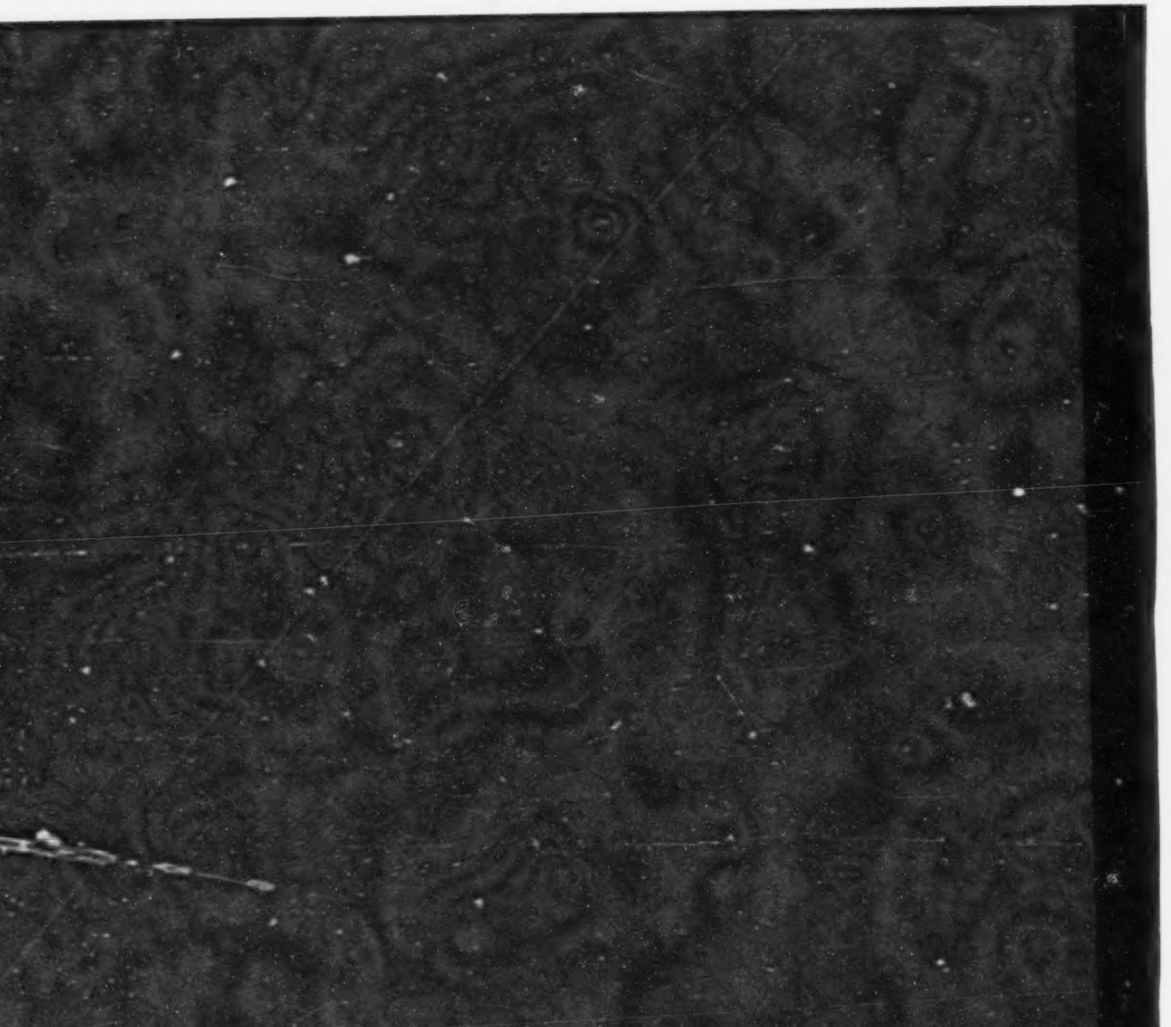

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Office of the Attorney General
Washington, D.C. 20530

February 19, 1982

RE: DEA/FBI Reorganization

For the past six months, we, at the Department of Justice, have been working on a solution to better manage our drug enforcement resources and assist state and local governments' fight against illegal drug and narcotic trafficking. I would like to familiarize you with the progress we've made and the reasons for a reorganization of our narcotic enforcement efforts. Moreover, you should also know how these changes will benefit state and local narcotics enforcement programs.

The management reorganization is required because of a rapidly growing drug underground industry on one hand and on the other hand a limited number of DEA agents. Additionally, drug cartels are becoming increasingly sophisticated and the successful arrest and prosecution of the central figures requires specialized investigative skills. These skills are not traditionally associated with drug enforcement and include long-term electronic surveillance, accounting, familiarity with investment banking, and property title searches. Moreover, it is estimated that 25 percent of the drug investigations involve traditional organized crime and cases of public corruption. For too many years, DEA, acting alone has been unable to fully utilize all the tools necessary to effectively attack the drug problem.

In June, 1981, a DEA management experiment was initiated to capitalize on the FBI's resourceful investigative techniques, which have proven successful in the past in convicting large scale organized crime chiefs. Arresting street drug dealers and wholesalers for possession of narcotics does not really affect the major organizers who reap hugh profits. A new integrated investigative approach concentrating on financial conspiracy and asset seizure is needed to prosecute major drug violators. This strategy will penetrate large organizations and increase the risk to managers who operate drug cartels.

This approach requires special management personnel trained in financial conspiracy investigation to maximize the limited drug enforcement resources. Therefore, I moved DEA under the general direction of the Director of the FBI. The specific administration was delegated to an interim management team supervised by an FBI Executive Assistant Director.

The interim management team integrated expertise of DEA agents with FBI resources in a number of "conspiracy" investigations. The most successful of these joint investigations was operation BANCOSHARES. This was a classic investigation using conspiracy strategy. It began with narcotic sales and eventually culminated in the seizure of major investments, considerable real estate property, and arrests of financial managers. This strategy has proven so effective that the number of conspiracy investigations has risen from 15 to about 125 using the combined skills of DEA and FBI agents.

As a direct result of the clear success of integrated investigations, on January 21, 1982, I formalized the DEA/FBI reorganization. Enclosed is a brief overview highlighting the major features of this reorganization.

In spite of the benefits of the reorganization, many state and local officials have expressed concern that local relationships that have worked well with DEA agents will be lost in this change. First, local and state law enforcement officials will continue their work with DEA agents. Second, the FBI will have concurrent jurisdiction and thus supplement DEA. There are over 500 FBI field offices to offer drug enforcement. Many communities that did not have a drug enforcement presence will now have it through the FBI. Moreover, there will continue to be a DEA office in every state. Finally, a coordinated approach against drug violators and their financial assets is now possible.

In addition to these new changes the President, acting on my recommendation, has nominated Francis M. (Bud) Mullen Jr. to be the new Administrator of DEA. It is fully anticipated that he will continue to streamline the management of the DEA investigations. These changes will be designed to increase our enforcement efficiency and assist state and local officials in coping with narcotic problems. Bud Mullen has the full confidence of the FBI and the DEA agents and has expressed a strong commitment to cooperate with state and local officials.

However, the full success of this reorganization can only be accomplished by working in concert with state and local law enforcement. I have emphasized the importance of our cooperation with other law enforcement officials and look forward to your support, encouragement and suggestions as to increasing our effectiveness against illegal drug and narcotic organizations.

Sincerely,

William French Smith
Attorney General

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U.S. Department of Justice
Federal Bureau of Investigation

Implementation Directive For Concurrent Drug Investigative Jurisdiction Between

The Drug Enforcement Administration

and

The Federal Bureau of Investigation

U.S. Department of Justice

Federal Bureau of Investigation

Washington, D.C. 20535

March 12, 1982

President Ronald Reagan has mandated that the Federal Government will do its utmost to assist in the reduction of crime throughout the Nation. In keeping with this mandate, during the past year Attorney General William French Smith initiated a task force to examine in depth the crime problems facing this country today. The task force findings endorsed, among other items, the proposition that the Attorney General should support the implementation of a clear, coherent and consistent national policy with regard to narcotics and dangerous drugs, reflecting an unequivocal commitment to combating international and domestic drug traffic.

The Attorney General, in order to insure maximum effectiveness and efficiency in the enforcement of criminal drug laws in the United States, on January 28, 1982, made the resources of the FBI available to complement and supplement those of the DEA in this effort. To this end, the FBI concurrently with the DEA was granted authority to investigate violations of the criminal drug laws of the United States. To insure complete coordination of the drug enforcement effort of the U. S. Department of Justice, the Administrator of the DEA will perform his functions under the general supervision of the Director of the FBI and will report through him to the Attorney General as appropriate.

This initiative by the Attorney General in harnessing the investigative resources of these two great institutions with long, proud and richly deserved records of achievement is unparalleled. The enclosed implementation directive, prepared jointly by the FBI and the DEA, addresses areas in which the FBI will supplement and, just as important, complement the efforts of the DEA in jointly attacking the drug crime problem nationwide. Acting Administrator Mullen and his field representatives will continue to be the primary architects of the Federal drug enforcement program after coordination with their FBI counterparts. Periodically, this directive will be reviewed with participation from each agency through the Headquarters Review Committee.

This directive and, more importantly, our joint efforts will ultimately succeed only with the full realization of all investigative personnel that we in the DEA and FBI are allies joined together in a unique venture to address the most significant crime problem facing the Nation today. I am confident that through the dedication, cooperation and professionalism of all personnel, we will accomplish our mandated goals and will have a major impact on the illicit trafficking of drugs.

William H. Webster
William H. Webster
Director

Francis M. Mullen, Jr.
Francis M. Mullen, Jr.
Acting Administrator
Drug Enforcement Administration

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I. BACKGROUND

Illicit drug traffic presents an ever-increasing threat to our society, its institutions and people. The Attorney General has identified drug trafficking as the number one crime problem in the United States. Clearly, an increased Government response is needed. On January 28, 1982, the Attorney General issued an order delegating to the FBI concurrent jurisdiction with DEA for investigations of violations of the Comprehensive Drug Abuse Prevention and Control Act of 1970, hereinafter referred to as the Controlled Substances Act. The Attorney General also announced that the Administrator of the DEA will function under the general supervision of the Director of the FBI, who will continue to report to the Attorney General. This decision recognizes that the strengths and unique capabilities of each agency, when joined together, will result in a more effective national drug investigative effort. The purpose of this joint directive is to implement the Attorney General's decision.

II. ROLES

The Attorney General has mandated that DEA will continue to function as the principal Federal drug enforcement agency, responsible for the enforcement of the Controlled Substances Act; the Diversion Control Program for the legitimate drug industry; drug intelligence analyses; and publication of appropriate strategic assessments.

In delegating concurrent jurisdiction to the FBI as it relates to the Controlled Substances Act, the Attorney General has mandated that the FBI assume a significant drug enforcement role working in close cooperation with DEA. He has also directed that FBI expertise in such areas as organized crime (OC), financial investigations and white-collar crime investigations be fully utilized in drug enforcement work.

In furtherance of these directives, the FBI will focus its resources on drug investigations involving traditional OC families (La Cosa Nostra), violence-prone, nontraditional OC groups such as the outlaw motorcycle gangs, and ethnic or racial OC groups such as the Israeli, Mexican and Black Mafias and La Nuestra Familia. The DEA will continue to focus on investigations of major drug organizations according to established priorities. Where feasible, the FBI and DEA will buttress each other's investigative role by utilizing each agency's intelligence base and expertise. Nothing in the above delineation of roles will preclude either agency from coordinated selection of prioritized, mutual targets of opportunity.

The specific areas of responsibility and requisite coordination between DEA and FBI will vary with the availability of resources and the extent of the drug crime problem in a particular field division. Therefore, it will be incumbent upon FBI and DEA field office management to identify the major drug-trafficking groups in their divisions and, thereafter, either individually or jointly target them for investigation, utilizing available resources and expertise of both agencies.

In major urban areas, the number of joint investigations will be greater, necessitating close coordination to preclude duplication of effort and minimize physical danger to personnel. In areas with less DEA presence, the FBI will be expected to conduct drug investigations in conjunction with DEA, but with minimal direct support from DEA.

Both DEA and the FBI will place strong emphasis on major distributors and organizations involved in the manufacturing, importing, distributing and financing of illicit controlled substances. To effectively immobilize these major organizations and traffickers, conspiracy investigations (particularly the use of the Continuing Criminal Enterprise and Racketeer Influenced and Corrupt Organizations Statutes) should be the focal point of our investigative efforts. Resources, both personnel and financial, should not be devoted to targeting street violators, which would duplicate the role of state and local law enforcement agencies.

III. COORDINATION OF INVESTIGATIVE ACTIVITY

A. Introduction

A successful cooperative effort against drug trafficking will depend, in large measure, on the degree of coordination and the spirit of cooperation at all levels. All Special Agents must recognize that rules and procedures cannot substitute for good-faith cooperation, which will be expected from all personnel of both agencies. Concurrent jurisdiction in drug investigations without proper coordination could cause not only inefficient use of resources and information, but create dangerous situations in street operations. Inefficiency caused by duplication of effort or failure to take full advantage of opportunities to combine resources or information for a better investigative product must be avoided.

B. Headquarters Coordination

1. The Executive Headquarters Staff of DEA and FBI will meet regularly, as appropriate, to insure mutuality at the policy level.

2. A Headquarters Review Committee, consisting of equal FBI and DEA representation, will be established. The purpose of this Committee is to monitor the implementation of this directive, develop new national-level initiatives and resolve any problems referred by field office management. Prior to this Committee addressing field disputes, efforts must be expended to resolve such problems at the lowest possible level by respective agency counterparts.

3. FBI and DEA will each assign a Special Agent Supervisor in a liaison capacity at the opposite Headquarters for the purpose of insuring day-to-day coordination and cooperation in investigative activities.

C. Field Coordination

1. Management Meetings: The Special Agents in Charge and appropriate supervisory personnel of both agencies will be responsible for the implementation of this directive. Thereafter, meetings will be held on a regularly scheduled basis to enhance coordination, resolve problems and discuss ongoing or contemplated operations which may affect or be of interest to the other agency.

It is expected that first-line supervisors of both agencies will have an ongoing dialogue with their counterparts.

2. Exchange of Liaison Officers: In all field offices, DEA and the FBI will each assign an experienced Special Agent on a liaison basis for the purpose of insuring day-to-day coordination and cooperation in investigative matters.

3. Investigative Coordination:

a. Federal-level drug investigations fall into one of three categories:

i. Investigations of matters within the DEA's area of responsibility as outlined under Part II of this directive and conducted solely by DEA or by DEA with agencies other than the FBI;

ii. Investigations of matters within the FBI's area of responsibility as outlined under Part II of this directive and conducted solely by the FBI or by the FBI with agencies other than the DEA; and

iii. Joint FBI/DEA investigations.

b. With the exception of minor drug investigations targeted at low-priority subjects such as those conducted by the FBI on Indian or Government Reservations and by DEA at ports of entry, i. e. airports, all drug investigations instituted unilaterally by the DEA or the FBI should be coordinated through the liaison Agents at the field office level in order to:

i. Insure that the DEA or FBI does not currently have an investigation ongoing with regard to the proposed targets of the drug investigation;

ii. Obtain all intelligence information each agency may have regarding the targets of the proposed investigation; and

iii. Determine any interest on the part of the FBI or DEA to enter into a joint investigation regarding the targeted subjects.

c. At the outset of joint investigations, a specific plan should be devised at the field office level regarding the role of each agency (FBI/DEA) in the investigation. Each Headquarters should then be advised of this plan by established procedure.

d. Request for Investigative Support: DEA may request assistance from its counterpart FBI field office for manpower support or investigative expertise which cannot be met by available DEA manpower. Conversely, the FBI may request assistance from its counterpart DEA field office for manpower support or investigative expertise which cannot be met by available FBI manpower. Examples of such operations could include, but are not limited to:

i. Development of Title III intercepts (including the use of FBI/DEA technical expertise and/or equipment if necessary);

ii. Manning of undercover operations;

iii. Long-term surveillance operations;

iv. Large-scale arrests and/or searches and seizures; and

v. Assistance in the development of the financial aspects of drug investigations.

e. Joint FBI/DEA Investigations: Joint investigative efforts on a long-term basis are encouraged when the investigative targets are appropriate and resources of the respective agencies are available. Such investigations will require approval at the FBI/DEA Headquarters level. Funding of drug purchases, other operating expenses and dissemination of informant information will be handled in accordance with information set forth in other portions of this directive.

IV. INVESTIGATIVE MATTERS

A. Investigative Expenses

As a matter of policy, each agency will bear its own investigative expenses and acquire supplemental funding through established agency's procedures.

Where one agency plays a minor, supportive role, the primary agency will supply the funds for the purchase of drug evidence.

In joint investigations, the agency responsible for funding purchases of drug evidence will be decided at the development of the operational agreement.

Policy relative to payments to informants is discussed in Subsection IV., C.

B. Access to Information Systems

Both the FBI and the DEA have developed a variety of information systems which will be utilized in drug investigations. As a matter of policy, there will be a full exchange of information in keeping with the mandate of complete, mutual support. Each agency will be responsible for searching its own data bases or other information systems upon request, or in keeping with proper investigative routine and providing the results to the other consistent with the intent of this directive. The Headquarters Review Committee, among other duties, will develop procedures for indexing into agency files.

C. Informants and Cooperative Witnesses

Informants will continue to be handled and supervised by their respective agencies. Each agency's informants will be routinely debriefed on matters of interest to the other agency. To facilitate this, a debriefing guide will be provided containing areas of inquiry pertinent to each agency. The respective Special

Agents in Charge will be responsible for the prompt, complete dissemination of informant information to their counterpart.

Cooperative witnesses will be controlled by the appropriate agency. In joint investigations, there must be an agreement as to which agency will control the cooperative witness to insure consistent and productive use. As with informants, appropriate dissemination of information must be made.

Informant payments will generally be made from the funds of the agency controlling the informant. Payments to informants of the other agency can be made in appropriate cases with concurrence of the respective Special Agents in Charge, Headquarters' approval if necessary and appropriate documentation.

L. Technical Support to Investigations

As a general rule, each agency will provide its own technical support as dictated by needs and capability. Should a need be identified in the local field office of either agency which cannot be locally met, support will be sought from that agency's Headquarters, as would normally be the case. If the support is needed on a short-term basis, the Special Agent in Charge, at his discretion, may seek assistance from his counterpart as this will be most efficient and cost effective in such situations. Longer term or more sophisticated requirements will be forwarded to the appropriate Headquarters where the support will be provided or sought from the counterpart Headquarters staff. A program will be implemented within the technical support structure of each agency to familiarize each other on available capabilities to insure that investigations are enhanced to the fullest within the total capability of both agencies.

E. Evidence Processing

1. Drug Evidence - As a matter of policy, the DEA laboratory system will be responsible for the analysis of all drug exhibits collected, purchased or seized by either agency under any circumstances. Conversely, the FBI laboratory system will be responsible for analysis of all nondrug evidence requiring examination or analysis for investigations of either agency. Latent fingerprint examinations will also be accomplished in the FBI Identification Division for both agencies. This policy recognizes the efficient use of developed expertise, especially as it relates to expert testimony at time of trial. Any evidence submitted for analysis to the facilities of either agency will be processed with the same priority as if submitted by personnel of the host agency.

Where drug evidence is acquired in a joint FBI/DEA investigation, custody normally will be assumed by DEA for processing and submission to the laboratory.

Of special note is drug evidence seized by the FBI incidental to the arrest of a DEA fugitive. The processing of this evidence will be coordinated with DEA field management to assure that the prosecuting U. S. Attorney's Office is afforded the use of this additional evidence at trial. This may require transferring custody of the drugs to DEA for processing or direct FBI submission to the DEA laboratory handling other drug exhibits in the case.

2. Nondrug Evidence - Special Agents in Charge will be responsible to insure that the investigative value of nondrug evidence of interest to the other agency is shared fully consistent with the intent of this directive.

3. Clandestine Drug Laboratories - Special caution must be taken relative to the seizure of clandestine drug laboratories by Agent personnel. This caution cannot be overstated, as the common presence of explosive chemicals and the delicate nature of closing down an in-process operation present real dangers. Therefore, unless there are the most extenuating circumstances, neither FBI nor DEA personnel will attempt the seizure of a clandestine laboratory without the presence of a DEA chemist experienced in the required procedures.

F. Furnishing Controlled Substances

Controlled substances are by their very nature harmful to humans and, therefore, require a special degree of care in handling. The responsibility for keeping these substances out of the hands of the public applies to all law enforcement personnel. The handling of these substances must be distinguished from other forms of contraband or instruments of criminal activity. However, there are certain circumstances in which it is advantageous to an investigation to furnish small quantities of controlled substances to a violator through an undercover Agent or informant. The furnishing of a controlled substance by an Agent of the Government is considered sensitive enough to require the personal approval of the Administrator of DEA. In joint investigations, concurrence of both Headquarters will be required.

The Acting Administrator of DEA will develop standards for making decisions for furnishing controlled substances, mentioned above, and for allowing drugs to leave the Government's control, mentioned under Subsection G, which apply equally to DEA and FBI. This approach will provide for consistent standards for both agencies, and these standards shall be implemented upon approval of the Director of the FBI. Drugs shall not be allowed to leave the Government's control without the concurrence of the Acting Administrator of DEA unless specifically authorized by the Director of the FBI.

G. Other Instances of Allowing Drugs to Leave the Government's Control

There will also be situations when specific information is developed by an informant or through other investigative techniques, such as a court-approved electronic intercept, regarding the shipment, delivery or location of controlled substances not directly controlled by the informant or undercover Agent. In these situations, the respective Headquarters must be immediately advised by teletype if there is not an immediate plan to seize the controlled substances. In certain cases, it may not be appropriate to seize such drugs in order to enhance the effectiveness of an investigation (e.g., continue Title III, begin new Title III, develop undercover operation). The FBI or DEA may continue an investigation without seizing substantial amounts of illicit drugs only when authority is obtained from the Administrator of DEA. In joint investigations, the concurrence of both Headquarters will be required.

H. Show Drugs

In some instances in order to develop evidence of a subject's involvement in a major drug conspiracy, undercover Agents may pose as drug manufacturers or distributors rather than drug buyers. This type of undercover operation may require the display of quantities of controlled substances obtained from a DEA regional laboratory. Approval for such activity must be sought from the appropriate Headquarters following established procedures and, in joint investigations, concurrence of both Headquarters will be required. In conducting this type of undercover operation, the FBI and DEA will insure that close contact and coordination are maintained between each other, and the agency (FBI/DEA) conducting the operation will insure proper coordination with state and local agencies in order to avoid a confrontation situation.

I. Seizure of Trafficker Assets

With the delegation of concurrent drug investigative jurisdiction to the FBI, Special Agents of the FBI will be authorized to seize property or other assets of traffickers as provided in Section 881 of the Controlled Substances Act following established procedures. The disposition of property suitable for official use will be made with the seizing agency having the first opportunity to place the property in service. In joint investigations, disposition of property suitable for official use will be discussed and agreement reached at the field level.

J. Fugitives

The FBI has agreed to provide direct assistance to DEA in the apprehension of significant DEA fugitives who are U. S. citizens and believed to be residing in the United States. These investigative matters will continue to receive priority investigative attention within the FBI. The initiation of these investigations will be coordinated by FBI Headquarters with direct support from DEA Headquarters. At the outset of the fugitive investigation, the appropriate DEA field office will provide all known information regarding the individual, and DEA will subsequently conduct no unilateral investigative efforts to apprehend the subject. Upon apprehension, the appropriate FBI Special Agent in Charge will be responsible to insure that his counterpart is expeditiously advised of the apprehension of the subject.

K. Coordination with Other Law Enforcement Agencies

The implementation of concurrent drug investigative jurisdiction will require close attention by the Special Agents in Charge and Headquarters' officials to insure that traditional interagency relationships will not be disrupted. DEA will continue to be the agency responsible for coordination of the drug program with state and local agencies. This role will also continue in relation to U. S. Customs Service, U. S. Coast Guard and others involved in the various drug interdiction efforts. DEA, in consultation with their FBI counterparts, as appropriate, will continue to be the spokesman for the Federal drug program.

In those investigations where DEA is playing a minimum support role or is not directly involved, a key element in the FBI's ongoing coordination efforts will be the advisement of DEA of the FBI's interaction with state or local law enforcement agencies in the investigation.

All Special Agents in Charge will be held accountable to insure that "agency shopping" by third parties does not develop.

The Special Agent in Charge of the respective agency should insure that their drug-related initiatives are known at the appropriate Law Enforcement Coordinating Committees.

L. Conduct of Foreign Investigations

In keeping with the principle that the United States Government should present a single point of contact with foreign drug enforcement counterparts, DEA will continue to be responsible for the conduct of drug investigations in foreign countries. This will include the investigation of leads generated in all types of FBI/DEA cases. In joint cases, the domestic DEA offices will transmit the investigative leads following established procedures. Where the FBI is conducting a drug investigation and there is minimum DEA participation, the request for foreign investigation will be transmitted to FBI Headquarters which, in turn, will task DEA Headquarters to transmit the lead to the appropriate DEA foreign office for action. An information copy of the request will be provided to the local DEA office by the originating FBI office for information and coordination. An information copy of investigative matters involving FBI interests will also be simultaneously provided by the DEA Country Attache to the FBI Legal Attache for information. Any involvement of FBI personnel in foreign investigations must have the concurrence of both Headquarters.

M. Referral of Public Corruption Information

A priority within the FBI is the investigation of public corruption which is showing a significant increase in relation to drug trafficking. As a matter of policy, any drug case initiated by DEA which develops a public corruption aspect will be immediately coordinated with the appropriate FBI Special Agent in Charge and a mutually agreed upon plan established for pursuit of the case. Additionally, DEA informants routinely will be debriefed regarding public corruption matters. Indications of drug-related corruption on the part of foreign officials will be forwarded to the appropriate DEA foreign office for action. The DEA foreign offices will coordinate such information with the FBI Legal Attache having geographic jurisdiction for the country involved.

Any information developed which reflects on the integrity of employees of either agency will be immediately forwarded, following established procedures, to the Office of Professional Responsibility of the originating agency with a copy to the counterpart Special Agent in Charge. The respective Headquarters' Office of Professional Responsibility Staff will insure transmittal of employee-related allegations to the other on a timely basis for appropriate investigation and disposition.

N. Reporting Investigative Results

When an investigation is conducted primarily by one agency with the other agency providing minimal support, the reporting rules of the principal agency will be followed throughout. In joint FBI/DEA investigations, a determination will be made at the outset as to which agency's reporting rules will be utilized in order to prevent duplication of recorded information.

D. Measurements of Accomplishments

As a result of concurrent jurisdiction, DEA and the FBI will each establish internal procedures for monitoring resources committed and results achieved in joint or independent cases, consistent with each agency's internal management controls and needs. In addition, it will be the responsibility of the Headquarters Review Committee to establish a common system for measuring accomplishments. The elements of this system, as well as reporting requirements, will be agreed to by each Headquarters and appropriate procedures established and published.

V. TRAINING

FBI Headquarters, in concert with DEA Headquarters, will be responsible to insure that a sufficient number of FBI Special Agents receive requisite training to conduct Federal-level drug investigations with minimal support from DEA. Conversely, DEA Headquarters, in concert with FBI Headquarters, will be responsible to insure that all DEA Special Agents are apprised of traditional FBI jurisdictional interests and an appropriate number of DEA Special Agents receive requisite training to enhance these joint efforts.

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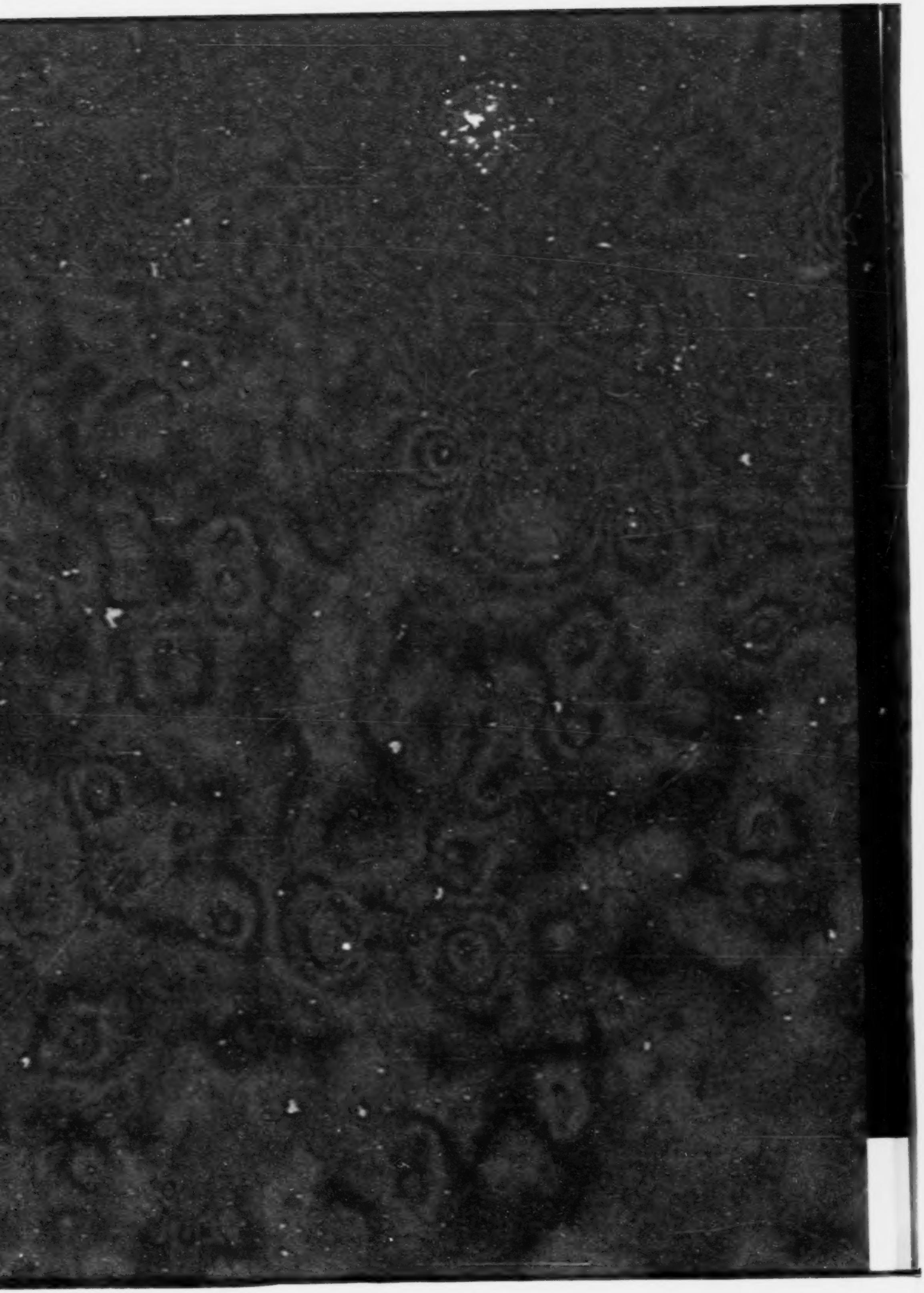
VI. PROCEDURES

The Headquarters Review Committee will be responsible to oversee the development, coordination and implementation of the necessary procedures for the implementation of the policy established in this directive. It is expected that procedures will be published within each agency consistent with the directives and management systems in force in each; however, all procedures or subsequent policy published as a result of the delegation of concurrent drug investigative jurisdiction to the FBI, must be coordinated with appropriate elements of the other Headquarters.



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Subpart P—Federal Bureau of Investigation

Cross Reference: For regulations pertaining to the Federal Bureau of Investigation, see Part 3 of this chapter.

§ 0.85 General functions.

The Director of the Federal Bureau of Investigation shall:

(a) Investigate violations of the laws, including the criminal drug laws, of the United States and collect evidence in cases in which the United States is or may be a party in interest, except in cases in which such responsibility is by statute or otherwise specifically assigned to another investigative agency. The Director's authority to investigate violations of and collect evidence in cases involving the criminal drug laws of the United States is concurrent with such authority of the Administrator of the Drug Enforcement Administration under § 0.100 of this part. In investigating violations of such laws and in collecting evidence in such cases, the Director may exercise so much of the authority vested in the Attorney General by sections 1 and 2 of Reorganization Plan No. 1 of 1968, section 1 of Reorganization Plan No. 2 of 1973 and the Comprehensive Drug Abuse Prevention and Control Act of 1970, as amended, as he determines is necessary. He may also release FBI information on the same terms and for the same purposes that the Administrator of the Drug Enforcement Administration may disclose DEA information under § 0.103 of this part. The Director and his authorized delegates may seize, forfeit and remit or mitigate the forfeiture of property in accordance with 21 U.S.C. 881, 21 CFR 1316.71 through 1316.81, and 28 CFR 9.1 through 9.7.

(b) Conduct the acquisition, collection, exchange, classification and preservation of fingerprint cards and identification records from criminal justice and other governmental agencies, including fingerprint cards voluntarily submitted by individuals for personal identification purposes; provide expert testimony in Federal, State and local courts as to fingerprint examinations; and provide fingerprint training and provide identification assistance in disasters and for other humanitarian purposes.

(c) Conduct personnel investigations requisite to the work of the Department of Justice and whenever required by statute or otherwise.

(d) Carry out the Presidential directive of September 6, 1939, as reaffirmed by Presidential directives of January 8, 1943, July 24, 1950, and December 15, 1953, designating the Federal Bureau of Investigation to take charge of investigative work in matters relating to espionage, sabotage, subversive activities, and related matters.

(e) Establish and conduct law enforcement training programs to provide training for State and local law enforcement personnel; operate the Federal Bureau of Investigation National Academy; develop new approaches, techniques, systems, equipment, and devices to improve and strengthen law enforcement and assist in conducting State and local training programs, pursuant to section 404 of the Omnibus Crime Control and Safe Streets Act of 1968, 82 Stat. 204.

(f) Operate a central clearinghouse for police statistics under the Uniform Crime Reporting Program, and a computerized nationwide index of law enforcement information under the National Crime Information Center.

(g) Operate the Federal Bureau of Investigation Laboratory to serve not only the Federal Bureau of Investigation, but also to provide, without cost, technical and scientific assistance, including expert testimony in Federal or local courts, for all duly constituted law enforcement agencies, other organizational units of the Department of Justice, and other Federal agencies, which may desire to avail themselves of the service. As provided for in procedures agreed upon between the Secretary of State and the Attorney General, the services of the Federal Bureau of Investigation Laboratory may also be made available to foreign law enforcement agencies and courts.

(h) Make recommendations to the Office of Personnel Management in connection with applications for retirement under 5 U.S.C. 8336(c).

(i) Investigate alleged fraudulent conduct in connection with operations of the Department of Housing and Urban Development and other alleged violations of the criminal provisions of the National Housing Act, including 18 U.S.C. 1010.

(j) Exercise the power and authority vested in the Attorney General to approve and conduct exchanges of identification records with officials of federally chartered or insured banking institutions to promote or maintain the security of those institutions and, if authorized by State statute and approved by the Attorney General, to officials of State and local governments for purposes of employment and licensing, and exercise the power and authority vested in the Attorney General by 15 U.S.C. 78q(f)(2) and 7 U.S.C. 12a, to approve and conduct exchanges of identification records with certain segments of the securities industry and the Commodity Futures Trading Commission, respectively.

(k) Payment of awards (including those over $10,000) under 28 U.S.C. 524(c)(2), and purchase of evidence (including the authority to pay more than $100,000) under 28 U.S.C. 524(c)(1)(F).

[Order No. 423-69, 34 FR 20388, Dec. 31, 1969, as amended by Order No. 884-80, 45 FR 22023, Apr. 3, 1980; Order No. 960-81, 46 FR 52347, Oct. 27, 1981; Order No. 967-82, 47 FR 4513, Feb. 1, 1982; Order No. 968-82, 47 FR 4989, Feb. 3, 1982; Order No. 1024-83, 48 FR 35088, Aug. 3, 1983; Order No. 1126-86, 51 FR 7443, Mar. 4, 1986]

§ 0.85a Criminal justice policy coordination.

The Federal Bureau of Investigation shall report to the Attorney General on all its activities.

[Order No. 960-81, 46 FR 52347, Oct. 27, 1981]

§ 0.86 Seizure of gambling devices.

The Director, Associate Director, Assistants to the Director, Executive Assistant Directors, Assistant Directors, inspectors and agents of the Federal Bureau of Investigation are authorized to exercise the power and authority vested in the Attorney General to make seizures of gambling devices (18 U.S.C. 1955(d), 15 U.S.C. 1171 *et seq.*) and wire or oral communication intercepting devices (18 U.S.C. 2513).

[Order No. 960-81, 46 FR 52347, Oct. 27, 1981]

§ 0.87 Representation on committee for visit-exchange.

The Director of the Federal Bureau of Investigation shall be a member of the committee which represents the Department of Justice in the development and implementation of plans for exchanging visits between the Iron Curtain countries and the United States and shall have authority to designate an alternate to serve on such committee.

§ 0.88 Certificates for expenses of unforeseen emergencies.

The Director of the Federal Bureau of Investigation is authorized to exercise the power and authority vested in the Attorney General by 28 U.S.C. 537, to make certificates with respect to expenses of unforeseen emergencies of a confidential character: *Provided*, That each such certificate made by the Director of the Federal Bureau of Investigation shall be approved by the Attorney General.

§ 0.89 Authority to seize arms and munitions of war.

The Director of the Federal Bureau of Investigation is authorized to exercise the authority conferred upon the Attorney General by section 1 of E.O. 10863 of February 18, 1960 (25 FR 1507), relating to the seizure of arms and munitions of war, and other articles, pursuant to section 1 of title VI of the act of June 15, 1917, 40 Stat. 223, as amended by section 1 of the Act of August 13, 1953, 67 Stat. 577 (22 U.S.C. 401).

§ 0.89a Delegations respecting claims against the FBI.

(a) The Director of the Federal Bureau of Investigation is authorized to exercise the power and authority vested in the Attorney General under 28 U.S.C. 2672 to consider, ascertain, adjust, determine, and settle any claim thereunder not exceeding $5,000 in any one case caused by the negligent or wrongful act or omission of any employee of the Federal Bureau of Investigation.

(b) The Director of the Federal Bureau of Investigation is further authorized to exercise the power and authority vested in the Attorney General under the Act of March 20, 1936, Ch. 159, Pub. L. 74-481, 49 Stat. 1184 (31 U.S.C. 224b) with regard to claims thereunder not exceeding $500 in any one case.

(c) The Director of the Federal Bureau of Investigation is authorized to redelegate to the Assistant Director, Legal Counsel Division, or his designee within that division, any of the authority, functions, or duties vested in him by paragraphs (a) and (b) of this section. This authority shall not be further redelegated.

[Order No. 884-80, 45 FR 22023, Apr. 3, 1980]

Subpart P-1—Office of Justice Programs and Related Agencies

Source: Order No. 1111-85, 50 FR 43385, Oct. 25, 1985, unless otherwise noted.

§ 0.90 Office of Justice Programs.

The Office of Justice Programs is headed by an Assistant Attorney General appointed by the President. Under the general authority of the Attorney General, the Assistant Attorney General maintains liaison with the provides information to Federal, State, local, and private agencies and organizations on criminal justice matters, and provides staff support to and coordinates the activities of the National Institute of Justice, the Bureau of Justice Statistics, the Office of Juvenile Justice and Delinquency Prevention, and the Bureau of Justice Assistance. The Office includes the Office for Victims of Crime.

§ 0.91 Office for Victims of Crime.

The Office for Victims of Crime is headed by a Director appointed by the Assistant Attorney General, Office of Justice Programs. Under a delegation by the Attorney General (DOJ Order No. 1079-84, Dec. 14, 1984), the Assistant Attorney General and the Director are responsible for providing national leadership to encourage improved treatment of victims by implementing the recommendations of the President's Task Force on Victims of Crime and the Attorney General's Task Force on Family Violence, and by administering the Crime Victims Fund and the Federal Crime Victim Assistance Program, established under the Victims of Crime Act of 1984, Title II, Chapter XIV, of Pub. L. 98-473, 42 U.S.C. 10601 *et seq.*, 98 Stat. 2170 (Oct. 12, 1984).

§ 0.92 National Institute of Justice.

The National Institute of Justice is headed by a Director appointed by the President. Under the general authority of the Attorney General and reporting through the Assistant Attorney General, Office of Justice Programs, the Director performs functions and administers programs, including provision of financial assistance, under 42 U.S.C. 3721-3723 to support basic and applied research into justice issues.

§ 0.93 Bureau of Justice Statistics.

The Bureau of Justice Statistics is headed by a Director appointed by the President. Under the general authority of the Attorney General and re-

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Subpart R—Drug Enforcement Administration

§ 0.100 General functions.

The following-described matters are assigned to, and shall be conducted, handled, or supervised by, the Administrator of the Drug Enforcement Administration:

(a) Functions vested in the Attorney General by sections 1 and 2 of Reorganization Plan No. 1 of 1968.

(b) Functions vested in the Attorney General by the Comprehensive Drug Abuse Prevention and Control Act of 1970, as amended. This will include functions which may be vested in the Attorney General in subsequent amendments to the Comprehensive Drug Abuse Prevention and Control Act of 1970, and not otherwise specifically assigned or reserved by him.

(c) Functions vested in the Attorney General by section 1 of Reorganization Plan No. 2 of 1973 and not otherwise specifically assigned.

[Order No. 520-73, 38 FR 18380, July 10, 1973, as amended by Order No. 960-81, 46 FR 52348, Oct. 27, 1981; Order No. 1203-87, 52 FR 24447, July 1, 1987]

§ 0.101 Specific functions.

The Administrator of the Drug Enforcement Administration shall be responsible for:

(a) The development and implementation of a concentrated program throughout the Federal Government for the enforcement of Federal drug laws and for cooperation with State and local governments in the enforcement of their drug abuse laws.

(b) The development and maintenance of a National Narcotics Intelligence System in cooperation with Federal, State, and local officials, and the provision of narcotics intelligence to any Federal, State, or local official that the Administrator determines has a legitimate official need to have access to such intelligence.

(c) The development and implementation of a procedure to release property seized under Section 511 of the Controlled Substances Act (21 U.S.C. 881) to any innocent party having an immediate right to possession of the property, when the Administrator, in his discretion, determines it is not in the interests of justice to initiate forfeiture proceedings against the property.

(d) Payment of awards (including those over $10,000) under 28 U.S.C. 524(c)(2) and purchase of evidence (including the authority to pay more than $100,000) under 28 U.S.C. 524(c)(1)(F).

[Order No. 520-73, 38 FR 18380, July 10, 1973, as amended by Order No. 565-74, 39 FR 15876, May 6, 1974; Order No. 898-80, 45 FR 44267, July 1, 1980; Order No. 960-81, 46 FR 52348, Oct. 27, 1981; Order No. 1126-86, 51 FR 7443, Mar. 4, 1986]

§ 0.102 Drug enforcement policy coordination.

The Administrator of the Drug Enforcement Administration shall perform his functions under the general supervision of the Director of the Federal Bureau of Investigation and shall report through him to the Attorney General, the Deputy Attorney General and the Associate Attorney General, as appropriate.

[Order No. 968-82, 47 FR 4989, Feb. 3, 1982]

§ 0.103 Release of information.

(a) The Administrator of DEA is authorized—

(1) To release information obtained by DEA and DEA investigative reports to Federal, State, and local officials engaged in the enforcement of laws related to controlled substances.

(2) To release information obtained by DEA and DEA investigative reports to Federal, State, and local prosecutors, and State licensing boards, engaged in the institution and prosecution of cases before courts and licensing boards related to controlled substances.

(3) To authorize the testimony of DEA officials in response to subpoenas issued by the prosecution in Federal, State, or local criminal cases involving controlled substances.

(b) Except as provided in paragraph (a) of this section, all other production of information or testimony of DEA officials in response to subpoenas or demands of courts or other authorities is governed by Subpart B of Part 16 of this chapter. However, it should be recognized that Subpart B is not intended to restrict the release of noninvestigative information and reports as deemed appropriate by the Administrator of DEA. For example, it does not inhibit the exchange of information between governmental officials concerning the use and abuse of controlled substances as provided for by section 503(a)(1) of the Controlled Substances Act (21 U.S.C. 873(a)(1)).

[Order No. 520-73, 38 FR 18380, July 10, 1973]

§ 0.104 Redelegation of authority.

The Administrator of the Drug Enforcement Administration is authorized to redelegate to any of his subordinates or any of the officers or employees of the Immigration and Naturalization Service any of the powers and functions vested in him by this Subpart R.

[Order 1148-86, 51 FR 30465, Aug. 27, 1986]

APPENDIX TO SUBPART R—REDELEGATION OF FUNCTIONS

SECTION 1. *Scope of authority.* The authority delegated by this order is applicable to all officers and employees of the Drug Enforcement Administration (DEA) and Federal Bureau of Investigation (FBI).

SEC. 2. *Supervisors.* All Special Agents in Charge of the DEA and the FBI are authorized to conduct enforcement hearings under 21 U.S.C. 883, and to take custody of seized property under 21 U.S.C. 881. All Special Agents-in-Charge of the DEA and the FBI are authorized to release information pursuant to 28 CFR 0.103(a) (1) and (2) which is obtained by the DEA and the FBI, and to authorize the testimony of DEA and FBI officials in response to prosecution subpoenas under 28 CFR 0.103(a)(3).

SEC. 3. *Enforcement officers.* (a) All DEA criminal investigators (series 1811 under Office of Personnel Management regulations) and special agents of the FBI are authorized to exercise all of the powers of enforcement personnel granted by 21 U.S.C. 876, 878, and 879, to serve subpoenas, administer oaths, examine witnesses, and receive evidence under 21 U.S.C. 875, to execute administrative inspection warrants under 21 U.S.C. 880, and to seize property under 21 U.S.C. 881 and 21 CFR 1316.71 *et seq.*

(b) All DEA compliance investigators (series 1810 under Office of Personnel Management regulations) are authorized to administer oaths and serve subpoenas under 21 U.S.C. 875 and 876, to execute administrative inspection warrants under 21 U.S.C. 878(2) and 880, and to seize property incident to compliance and registration inspections and investigations under 21 U.S.C. 881.

SEC. 4. *Issuance of subpoenas.* (a) The Assistant Administrator for Planning and Inspection and the Deputy Assistant Administrator of the Office of Professional Responsibility of the DEA, all Special Agents-in-Charge of the DEA and the FBI, DEA Inspectors assigned to the Planning and Inspection Division, DEA Resident Agents-in-Charge, DEA and FBI Assistant Special Agents-in-Charge, and FBI Supervisory Senior Resident Agents are authorized to issue subpoenas with respect to controlled substances under 21 U.S.C. 875 and 876 in regard to matters within their respective jurisdictions.

(b) The Administrative Law Judge of DEA is authorized to sign and issue subpoenas to compel the attendance of witnesses and the production of documents and materials to the extent necessary to conduct administrative hearings pending before him.

SEC. 5. *Legal functions.* The Chief Counsel of the DEA is authorized to execute any certification required to authenticate any document pursuant to § 0.146 of Title 28, Code of Federal Regulations, to adjust, determine, compromise, and settle any claims involving the Drug Enforcement Administration under 28 U.S.C. 2672, relating to tort claims where the amount of the proposed adjustment, compromise, settlement or award does not exceed $2,500, to formulate and coordinate the proceedings relating to the conduct of hearings under 21 U.S.C. 875, including the signing and issuance of subpoenas, examining of witnesses and receiving evidence, to adjust, determine, compromise, and settle any tort claims when such claims arise in foreign countries in connection with Drug Enforcement Administration operations abroad, and to conduct enforcement hearings under 21 U.S.C. 883. The Forfeiture Counsel of the DEA is authorized to exercise all necessary functions with respect to decisions on petitions under 19 U.S.C. 1618 for remission or mitigation of forfeitures incurred under 21 U.S.C. 881.

SEC. 6. *Import and export permits.* The Deputy Assistant Administrator of the DEA Office of Diversion Control is authorized to perform all and any functions with respect to the issuance of importation and exportation permits for controlled substances under 21 U.S.C. 952 and 953, and all functions in regard to transshipments and intransit shipments of controlled substances under 21 U.S.C. 954.

SEC. 7. *Promulgation of regulations.* The Deputy Assistant Administrator of the DEA Office of Diversion Control is authorized to exercise all necessary functions with respect to the promulgation and implementation of the following regulations published in Chapter II, Title 21, Code of Federal Regulations:

(a) Part 1301, incident to the registration of manufacturers, distributors, and dispensers of controlled substances, except that final orders in connection with suspension, denial or revocation of registration shall be made by the Administrator of DEA;

(b) Part 1302, relating to labelling and packaging requirements for controlled substances;

(c) Part 1304, relating to records and reports of registrants;

(d) Part 1305, relating to order forms;

(e) Part 1306, relating to prescriptions, except provisions relating to dispensing of narcotic drugs for maintenance purposes;

(f) Part 1307, Title 21, Code of Federal Regulations, relating to miscellaneous provisions, except § 1307.31 concerning special exempt persons;

(g) The following sections of Part 1308: §§ 1308.21 and 1308.22 relating to excluded nonnarcotic substances, §§ 1308.23 and 1308.24 relating to exempt chemical preparations and §§ 1308.31 and 1308.32 relating to excepted stimulant or depressant compounds, except that any final order following a contested proposed rulemaking shall be made by the Administrator of DEA;

(h) Part 1311, relating to registration of importers and exporters of controlled substances, except that final orders in connection with suspension, denial or revocation of registration shall be made by the Administrator of DEA;

(i) Part 1312, relating to importation and exportation of controlled substances, except that all final orders following a contested proposed rulemaking regarding the denial of an application for an import, export or transshipment permit shall be made by the Administrator of DEA.

Sec. 8. *Financial functions.* The Controller of the DEA is authorized to settle any employee claims filed under the Military Personnel and Civilian Employees' Claims Act in an amount not to exceed $25,000.

[47 FR 43370, Oct. 1, 1982, as amended at 49 FR 41247, Oct. 22, 1984; 50 FR 8607, Mar. 4, 1985; 50 FR 28769, July 16, 1985]

Subpart S—Immigration and Naturalization Service

§ 0.105 General functions.

The Commissioner of the Immigration and Naturalization Service shall:

(a) Subject to the limitations contained in section 103 of the Immigration and Nationality Act (8 U.S.C. 1103) and excepting the authority delegated to the Executive Office of Immigration Review, the Board of Immigration Appeals, the Office of the Chief Special Inquiry Officer, and the Special Inquiry Officers, administer and enforce the Immigration and Nationality Act and all other laws relating to immigration (including but not limited to, admission, exclusion, and deportation), naturalization, and nationality. Nothing in this paragraph shall be construed to authorize the Commissioner of Immigration and Naturalization to supervise the litigation of, or to approve the filing of records on review, appeals, or petitions for writs of certiorari or to intervene or have independent representation in cases under the immigration and nationality laws except as provided in paragraph (e) of this section.

(b) For the purposes of paragraph (a) of this section, and as limited therein, exercise or perform any of the authority, functions, or duties conferred or imposed upon the Attorney General by the laws mentioned in that paragraph, including the authority to issue regulations.

(c) Investigate alleged violations of the immigration and nationality laws, and make recommendations for prosecutions when deemed advisable.

(d) Patrol the borders of the United States to prevent the entry of aliens into the United States in violation of law.

(e) Supervise naturalization work in the specific courts designated by section 310 of the Immigration and Nationality Act (8 U.S.C. 1421) to have jurisdiction in such matters, including the requiring of accountings from the clerks of such courts for naturalization fees collected, investigation through field officers of the qualifications of citizenship applicants, and representation of the Government at all court hearings.

(f) Cooperate with the public schools in providing citizenship textbooks and other services for the preparation of candidates for naturalization.

(g) Register and fingerprint aliens in the United States, as required by section 262 of the Immigration and Nationality Act (8 U.S.C. 1304).

(h) Prepare reports on private bills pertaining to immigration matters.

Memorandum

To : The Attorney General

Date March 17, 1987

From : Director, FBI William H. Webster

Subject : NATIONAL ANTI-DRUG REORGANIZATION
AND COORDINATION ACT

ACTION MEMORANDUM

Enclosed for your information is an outline of the steps necessary to accomplish the integration of the DEA into the FBI.

Enclosure

FBI REORGANIZATION PLAN

PROPOSAL

FBI proposes that DEA be integrated into the FBI with the exception of DEA's compliance and regulatory responsibilities which would be delegated to a noninvestigative agency.

PURPOSE

Integration is intended to unify under one agency the principal investigative responsibility for addressing and reducing the drug problem in the United States, thereby promoting efficiency and effectiveness and obviating wasteful duplication of effort through a centrally directed and coordinated approach.

IMPLEMENTATION

Action Plan Within Current Authority of AG and Director

Administrative

- Review the scope, direction and efficiency of DEA's domestic and foreign investigative strategy;
- analyze the drug problem by domestic region and the total Federal resources devoted to address the problems in those regions, thereby developing a collective assessment on a national basis;
- examine DEA Headquarters' administrative control mechanisms, particularly with regard to operational funding and oversight of sensitive investigative techniques; and
- assess job performance and promotional standards of DEA Agent personnel to ensure conformance with FBI standards.

Operational

- Combine the FBI's National Drug Strategy (NDS) with DEA responsibilities to insure the principal thrust is against major national and international organizations, while at the same time lending appropriate support to state and local efforts;
- establish integrated FBI/DEA squads in principal cities, devoted to NDS aims, and under the direction of FBI field and headquarters' management;
- integrate field operations of both agencies; and

- strategically place FBI management personnel at DEA Headquarters beyond current levels and assign an FBI program manager as Assistant Administrator for Operations.

Operational Support

- Collocate and integrate FBI and DEA technical services, data processing and other support operations.

FBI/DEA Integration Requiring Congressional Notification/Approval

- Seek legislation to
  - address the merger of competitive service personnel into excepted service positions; and
  - reorganize DEA as a component of the FBI
- organize Executive- and functional-level implementation teams;
- reorganize DEA's investigative command and control structure into a centralized program management mode, incorporating DEAHQ Investigative Operations into a newly created FBIHQ Drug Enforcement Division to which all DEA field offices would ultimately report;
- pursue integration of investigative and support operations by merging FBI and DEA manpower, resources and procedures both in the field and in an expanded headquarters structure; and
- designate another noninvestigative Federal agency to administer DEA's current regulatory and compliance responsibilities, functions now handled by non-Agent personnel.

Department of Justice

FOR IMMEDIATE RELEASE
WEDNESDAY, APRIL 22, 1987

AG
202-633-2007

Attorney General Edwin Meese III today announced a management plan for the Federal Bureau of Investigation and the Drug Enforcement Administration that will enhance joint operations, but which will not merge the two organizations into a single entity. A plan for total consolidation had been proposed more than a year ago, and was the subject of an extensive study.

Speaking to a meeting of FBI and DEA executives in Phoenix, Meese said that while he has concluded that the two agencies should remain separate organizations, he will continue to press forward with efforts to integrate functions of the two that will promote cooperation and efficiency.

A number of steps have been taken over the past few years to pull the two agencies closer together in areas where functions are similar, or where joint administrative and support functions make sense, Meese noted.

Both FBI and DEA agents now train at the same facility at Quantico, Virginia. Steps have been taken to ensure that the two agencies use compatible communications systems, fostering joint operations. Consideration is now being given to establishing a joint secure computer system servicing both agencies.

Meese said that the two agencies will continue under the

(MORE)

combined leadership of the Director of the FBI, as has been the case for the last several years.

"I have concluded that at a time when we have made the battle against drug trafficking and abuse one of the nation's top priorities, it just makes good sense to retain the Drug Enforcement Administration, with a long, proud history of fighting this battle, as a separate and distinct agency," Attorney General Meese declared. "We will not, however, miss any opportunity to continue to make progress in putting joint operational, service and administrative functions in place that make the two organizations more efficient and that enhance their ability to work together effectively."

"Drug trafficking has become an increasingly complex affair, involving money laundering, often on an international scale, and other related crimes in which the FBI has a great deal of expertise. We recognized this in 1982, when we expanded the Bureau's jurisdiction to include drug-related crime," Meese noted. "Today, the DEA and FBI are working together with great effectiveness in the battle against drugs, and I have concluded that the current organizational structure, combined with increased joint activity, is the most effective pattern for the future."

# # # # #

9 (Rev. 8-16-79)

TRANSMIT VIA: AIRTEL

CLASSIFICATION:

DATE: 5/7/86

PERSONAL ATTENTION

FROM: Director, FBI

TO: All SACs
All LEGATs

FBI NATIONAL DRUG STRATEGY (NDS)
DRUG AND NARCOTICS MATTERS

The FBI has a significant role in meeting the problem of drug trafficking in the United States and is constantly striving to enhance its investigative efforts directed against this difficult problem. In the four years since the Bureau was given concurrent jurisdiction with the DEA to investigate drug offenses, it has evolved into a capable, effective and respected participant in the battle against drug trafficking. By concentrating our limited resources on organized crime (OC) and drugs, public corruption and drugs, and financial crimes and drugs the Bureau has achieved noteworthy results.

For the past several months, FBIHQ has conducted extensive research in order to develop a strategic plan and to clearly define the FBI's role in drug investigations for the next three to five years. This analysis has included input from all offices, independent studies, and a comprehensive assessment of the drug problem facing the United States.

The following information sets forth a refinement of the current FBI NDS. As the first step in modifying operating plans, this refinement is intended to more clearly focus our investigative efforts and resources on those OC groups controlling significant segments of the illegal drug and narcotics markets.

The FBI will adopt the following as its long-term mission in drug and narcotics law enforcement.

> The FBI will endeavor to reduce the incidence of illegal drug trafficking, and other criminal activity which drug trafficking generates in American society, through investigations conducted on a systematic, coordinated, and sustained basis.

This mission will be implemented through a series of major objectives which specifically delineate the FBI's role in drug investigations. The major objectives of the NDS will include:

1. CONDUCTING EFFECTIVE, COORDINATED INVESTIGATIONS AGAINST MAJOR DRUG TRAFFICKING ORGANIZATIONS ON A NATIONWIDE BASIS WITH THE ULTIMATE OBJECTIVES OF NEUTRALIZING NETWORKS INVOLVED IN DISTRIBUTION OF COCAINE AND HEROIN, AND SEIZING THEIR ILLEGAL PROFITS THROUGH FORFEITURE PROCEEDINGS.

(a) Cocaine and heroin importation and distribution have been identified as the major drug problems in the United States. Groups largely responsible for this problem are the Colombian/South American traffickers, the LCN/Sicilian Mafia, and Mexican networks.

(b) The majority of the FBI's resources over the next three to five years allocated to the drug program will be devoted to addressing these specific problems.

(c) All offices will be required to take full advantage of the existing forfeiture provisions of various Federal statutes that directly relate to drug enforcement. The identification of drug traffickers' assets, and thereafter effective investigations to allow forfeiture, will be an integral aspect of all drug investigations.

(d) Conspiracy network investigations will be conducted on a sustained basis. In those areas where the trafficking networks are concentrated, extensive utilization of electronic surveillance and covert investigative techniques will be employed. In addition, the "buy-bust/show-bust" technique will be selectively employed in addressing the above priorities. For example, it can be used to gather probable cause for a Title III, or to protect the identity of highly placed informants.

(e) A corps of language specialists/contract employees will be developed to support extensive Title III coverage of the above groups.

(f) Field offices most directly affected by these organizations will be required to develop operational plans with DEA to address the problem jointly. If administrative problems which inhibit this approach develop at the local level, FBIHQ and DEAHQ will assist in their resolution.

(g) Investigations of these groups will be multijurisdictional and require close coordination by FBIHQ and DEAHQ.

(h) The potential corruption and money-laundering aspects of every significant investigation must be fully explored.

(i) Statistical accomplishments alone will not be used to measure success. Quality of accomplishments will be measured in terms of investigative impact on major drug-trafficking organizations.

2. IN ORDER TO ACHIEVE A SIGNIFICANT IMPACT IN THE PRIORITIES ESTABLISHED, IT IS ESSENTIAL THAT THE EXISTING DRUG INTELLIGENCE BASE BE EXPANDED AND ENHANCED. THIS EFFORT SHOULD NOT BE LIMITED TO THE DEVELOPMENT OF TRADITIONAL INFORMANTS. ALL SOURCES OF INFORMATION SHOULD BE UTILIZED.

(a) A corps of high-quality informants must be maintained and the development of additional informants is essential in order to penetrate the leadership, structure, operations, associations, and financial aspects of the major drug-trafficking organizations operating in this country.

(b) In the new priority areas, informant coverage needs to be greatly enhanced. Informants should be directed to seek information concerning key, high-level figures in major organizations focusing on information to support eventual conspiracy, Continuing Criminal Enterprise (CCE), and Racketeer Influenced Corrupt Organization (RICO) prosecutions.

(c) Increased emphasis will be placed on analysis and planning relative to the major drug problems identified. Intelligence Research Specialists and Organized Crime Information System (OCIS) analysts assigned to the OCS, working in concert with DEAHQ Intelligence Division analysts, will be tasked to develop the analytical support necessary to address the drug problem. Individual field offices that will play a major role in implementing this strategy will be required to assign OCIS analysts on a full-time basis to this project who will work with the analysts stationed at Headquarters in developing a usable and effective analytical product.

(d) The drug intelligence base includes a number of automated systems, including OCIS, Narcotics and Dangerous Drugs Intelligence System (NADDIS), and Pathfinder. These systems have their own unique capabilities. They should be fully utilized to support major investigations.

(e) Selective use of racketeering enterprise investigations (REIs) is encouraged in order to establish the composition, structure, and activities of major drug groups. The finances, geographical dimensions, as well as past and future activities of these enterprises should be developed.

3. IN COORDINATION WITH DEA, ASSIST IN IDENTIFYING TRENDS AND MAKING PROJECTIONS OF ORGANIZED DRUG TRAFFICKING ACTIVITIES ON A NATIONAL BASIS.

FBIHQ and DEAHQ have expanded the exchange of supervisory personnel at the Headquarters level to address, on a coordinated basis, information relating to national trends and projections concerning the above priorities. This exchange of information and perspective should be encouraged throughout the field. Every available resource should be tapped in order to continue enhancing our understanding of drug trafficking organizations.

4. INVESTIGATIVE RESOURCES DEDICATED TO DRUG MATTERS SHOULD BE CONCENTRATED IN THOSE AREAS OF THE COUNTRY IDENTIFIED AS MAJOR CENTERS FOR ORGANIZATIONS INVOLVED IN THE IMPORTATION AND DISTRIBUTION OF COCAINE AND HEROIN.

(a) As a result of field office surveys and a detailed analysis of the scope of the drug problem, it has been determined that major first-level cocaine distribution networks operate principally in three U.S. cities: Miami, Los Angeles, and New York. However, assignment of FBI resources disclosed that:

- In Fiscal Year (FY) 1985, 21 percent of the FBI OC/Narcotics Direct Agent Work Years (DAWYs) was utilized in these three cities to address drug matters.

- Only 18 percent of the Organized Crime Drug Enforcement (OCDE) Target Staffing Level (TSL) is assigned to these areas for FY 1986.

(Note: In FY 1985, 24 percent of DEA's regular investigative resources and 34 percent of their OCDE resources were assigned to Los Angeles, Miami, and New York.)

(b) In a similar fashion, second-level cocaine distribution networks operate in six U.S. cities: Atlanta, Boston, Chicago, Houston, San Diego, and San Francisco. Assignment of FBI resources disclosed that:

- In FY 1985, only 11 percent of FBI OC/Narcotics DAWYs was expended in these cities on drug matters.
- For FY 1986, 17 percent of the OCDE TSL is assigned to these areas.

(Note: In FY 1985, 18 percent of DEA's regular investigative resources and 24 percent of their OCDE resources were assigned to Atlanta, Boston, Chicago, Houston, San Diego, and San Francisco.)

(c) In the absence of any additional investigative resources which would enable the FBI to address a wider range of drug cases, a concentration of resources in those areas of the country identified as major drug importation and distribution centers is essential.

5. PROVIDING ASSISTANCE TO OTHER FEDERAL, STATE, AND LOCAL LAW ENFORCEMENT AGENCIES RELATIVE TO INVESTIGATIONS OF MAJOR DRUG TRAFFICKING ORGANIZATIONS OPERATING IN A LOCAL OR REGIONAL AREA OF THE COUNTRY.

(a) It is recognized that the FBI has a responsibility to respond to drug problems that are unique to a local area or region and that do not necessarily relate to a national problem. It should further be recognized, however, that the FBI's role in drug enforcement is a segregated one and that DEA has the primary responsibility to investigate all drug violations across the board.

(b) If the FBI and DEA are to make a more significant impact in addressing the major national drug problems that affect all citizens throughout the country, then the utilization of limited resources for this program must be prioritized. Efforts should be directed against the Colombian/South American trafficking organizations, the LCN/Sicilian Mafia, Mexican networks, and on a selective basis, national outlaw motorcycle gangs, and major Oriental organized crime groups.

(c) It will be the responsibility of each SAC to develop alternative methods in addressing local drug problems on a case-by-case basis. A limited assignment of Agent personnel to a working group comprised of local and state police is one option. Providing legal and technical support is another. Disseminating lead information to appropriate authorities is a third option.

(d) The sharing of forfeited property provisions of the Comprehensive Crime Control Act of 1984 is a strong incentive for state and local participation in working groups. State and local authorities should be advised of these provisions.

The FBI NDS will be implemented through shorter term operating plans. These operating plans will prioritize investigations directed against specific drug trafficking organizations. To accomplish this step, the alpha designators in the 12 and 245 classifications have been changed. Each office should review and reclassify pending investigations. Those cases which cannot be reclassified should be brought to a logical conclusion as soon as possible.

12A & 245A	LCN/Sicilian Mafia Cases directed against LCN/Sicilian Mafia involvement in drug trafficking with emphasis on trafficking of heroin; (PCI);
12B & 245B	Colombian/South American Drug Trafficking Organizations Cases directed against Colombian/South American organizations involved in drug trafficking with emphasis on trafficking of cocaine; (PCI);
12C & 245C	Mexican Drug Trafficking Organizations Cases directed against Mexican groups involved in drug trafficking on a national level; (PCI);
12D & 245D	Major National Outlaw Motorcycle Gangs Cases directed against major national outlaw motorcycle gangs involved in drug trafficking on a national level; (PCI);
12E & 245E	Major Oriental Organized Crime Groups Cases directed against major Oriental organized crime groups involved in drug trafficking on a national level with emphasis on trafficking of heroin; (PCI);

12F & 245F Other Major Drug Trafficking Organizations

Cases directed against other major drug trafficking organizations. These organizations must be well organized, multijurisdictional in operational scope, and of national significance and influence. The characterization of these organizations must be fully documented and corroborated; (PCI).

Investigations in the above classifications are all PCI matters. However, the principal investigative efforts should be in those matters classified as 12A, B, C, D, and E or 245A, B, C, D, and E.

Drug investigations in the 12A, B, C, D, and E, and 245A, B, C, D, and E classifications will continue to be opened on SAC authority. The requirement to advise OCS, FBIHQ, by airtel of the initiation of drug investigations within 30 days will be strictly adhered to by all offices.

Effective upon receipt of this communication, drug investigations in the 12F and 245F classifications will require prior FBIHQ approval before a case is opened. To obtain this authority, field offices will submit a teletype to the attention of the OCS and include the information as set forth in MIOG 12-7 (2), items (a) through (f). Justification for initiating these cases must be concise, specific and void of generalized comments.

Although no longer distinct classifications, drug financial flow investigations and allegations of official or police corruption will continue to be thoroughly pursued in relation to the particular drug trafficking organization under investigation. The development of the drug financial flow aspect and the identification of political or police corruption, which is directly facilitating drug trafficking activity, will become an integral part of all drug investigations.

When allegations of official or police corruption arise in relation to minor drug trafficking activity not within the FBI's drug priorities, such cases should be pursued under the corruption subprogram within the Organized Crime Program or, when applicable, under the White Collar Crime Program.

BACKGROUND

Drug trafficking continues as the most critical crime problem in the United States. It is sophisticated and complex. A wide variety of drugs are involved, most with several international sources. The traffic in illicit drugs not only violates drug laws but also involves numerous other criminal activities, including racketeering, conspiracy, bribery and corruption of public officials, tax evasion, banking law violations, illegal money transfers, import/export violations, crimes involving firearms, and violence.

Despite the Bureau's accomplishments, and those of DEA and other law enforcement agencies, the impact on drug trafficking at the national level has been less than expected. For example, cocaine use remains widespread from high-income users to users in lower socioeconomic levels. Cocaine is readily available in all regions of the United States, with increasing purity levels and decreasing prices. Currently a kilo of cocaine sells for $28,000. Four years ago a kilo cost $60,000. Similarly, Mexican brown heroin is also more readily available in the Southwest and upper Midwest with purity levels reaching heretofore unseen highs of over 90 percent.

It is recognized that the drug trafficking problem is of such a magnitude that it will not be solved by investigative agencies alone. However, in order to effectuate a measurable impact, investigative resources need to be redirected against those groups which control large segments of the illegal drug market.

SCOPE OF DRUG TRAFFICKING IN THE UNITED STATES

TRAFFICKING ORGANIZATIONS

Most of the income from drug sales is earned by distributors in major markets with significantly less accruing to those involved in production and transport. The millionaires of the international drug industry control not only the acquisition of raw materials in drug producing countries, but also the wholesale distribution of drugs in the United States. Profits from these operations are enormous. For example, it is estimated that gross receipts of Colombian trafficking organizations from U.S. sales in 1983 were in excess of $6 billion.

In terms of influence, the Colombians' closest competitors are the Mexican trafficking organizations and the Sicilian Mafia. These organizations control major segments of the U.S. market. The infrastructure of such large networks rival many legitimate businesses and even some national governments in the amount of property, sophistication of equipment, and network of financial, political, and commercial contacts.

In addition to large sophisticated enterprises that resemble multinational companies in their size, scope and manner of operations, drug trafficking organizations can also be small specialized operations active in one aspect of the production, smuggling, or distribution of a specific drug.

COCAINE

Cocaine trafficking and consumption has clearly been identified as the most significant widespread drug problem in the United States. Drug abuse experts estimate that over 25 million Americans have tried cocaine, that is, one in ten. Six million are estimated to use cocaine at least once a month. Two to three million Americans are thought to be seriously dependent on cocaine. The number of new usors increases at an estimated rate of over 5,000 per day.

As the following chart shows, its consumption in the United States has been increasing since 1981.

COCAINE HYDROCHLORIDE CONSUMPTION IN THE UNITED STATES
1981-1984 (METRIC TONS)

1981	1982 (%change)	1983 (%change)	1984 (%change)
30-60	45-62(+15)	50-68(+10)	55-76(+11)

The majority of Bureau field offices are investigating cocaine-related cases. Of the 59 field offices, 58 have identified cocaine as a drug problem, with 46 field offices naming cocaine trafficking as the major drug problem in their area of responsibility.

Colombian organizations operating in the Southeastern United States (predominantly south Florida) continue to control the majority of the cocaine importation and distribution networks which radiate into all areas of the United States. In 1984, Florida was the principal point of entry and the location of 94 percent of the cocaine seizures from all conveyances. Also in 1984, 18 of the 22 cocaine processing laboratories seized nationwide were located in the Miami, south Florida area.

In addition, Colombian traffickers have expanded their area of operation and have converted Atlanta, Boston, Houston, Los Angeles, New York, San Diego and San Francisco Field Office territories into international cocaine trafficking centers.

The Miami Division, through an intensive drug intelligence collection effort over the past year, has identified in excess of 100 separate organized Colombian groups involved in some aspect of cocaine trafficking into and throughout the United States.

HEROIN

Heroin trafficking and consumption is considered by the FBI as the second most significant problem in the United States. Recent studies show that heroin abusers, especially daily users, commit an extraordinary amount of crime. Needless to say, the economic consequences that heroin users impose upon other persons and upon society are great. In addition, heroin distribution is a major source of income for the LCN/Sicilian Mafia.

As the following chart shows, heroin consumption increased between 1981 and 1983 and decreased slightly in 1984. Statistical data for 1985 is unavailable but a significant change in consumption is not anticipated.

HEROIN CONSUMPTION IN THE UNITED STATES
1981 - 1984 (METRIC TONS)

1981	1982 (%change)	1983 (%change)	1984 (%change)
3.85	5.7 (**)	6.04(+10)	5.97(-1)

(**Different data bases used in computing 81 and 82 heroin estimates, therefore estimates are not comparable.)

Two types of heroin and heroin-related trafficking patterns exist: white heroin from Southeast or Southwest Asia and Mexican brown heroin from Mexico.

According to the DEA Heroin Signature Program, in 1984 Southwest Asia heroin, primarily heroin refined along the Afghanistan/Pakistan border, accounted for 51 percent of the U.S. supply. Seventeen percent of the U.S. heroin supply came from Southeast Asia and 32 percent came from Mexico.

SOUTHWEST ASIAN HEROIN

New York City is the major distribution point for white heroin. From there it is distributed to other areas in the Northeast Quadrant. (The Northeast Quadrant as used here encompasses, but is not limited to, those field office territories as far north as Boston, as far south as Washington, D.C., and as far west as Detroit.)

Although heroin traffickers are numerous throughout the Northeast Quadrant, the LCN/Sicilian Mafia is still considered the most accomplished of all the traffickers. They control not only the importation but also the distribution networks for heroin. Recently concluded investigations have clearly revealed the extent of LCN/Sicilian Mafia control. From March 1983 to April 1984, one investigation disclosed a Sicilian Mafia network operational in the states of Florida, Illinois, Michigan, New Jersey, New York, Pennsylvania, and Wisconsin.

MEXICAN HEROIN

Mexican brown heroin is the primary heroin problem in the Southwest, the West Coast and some parts of the Midwest, most notably Chicago. The production, importation, and distribution of this heroin is controlled by Mexican organizations.

Several indicators point to a greater influx of Mexican heroin into the U.S. market in recent years. Wholesale (kilogram level) purities in the United States have steadily increased from 8 percent in 1981 to 21 percent in 1982, 22 percent in 1983, and 44 percent in 1984. Recent intelligence reports from the DEA Dallas and San Diego Field Offices indicate the availability of heroin increased during 1985, and purities as high as 90 percent have been encountered. Similarly, "street-level" heroin purities in Southwestern U.S. cities, where Mexican heroin dominates the market, tend to be higher than the national average. Additionally, the declining Mexican economy, with steady erosion of the peso, has led to greater involvement by Mexican nationals in the production and trafficking of heroin. This problem is further exacerbated by the close relationship between Mexican drug trafficking organizations and Mexican law enforcement authorities.

MARIJUANA

Marijuana importation into the United States by sea, air, and land from Colombia and Mexico is a significant problem in some areas. However, as the following chart shows, the consumption of marijuana in the U.S. has been gradually decreasing.

MARIJUANA CONSUMPTION IN THE UNITED STATES
1981-1984 (Metric tons)

1981 (%change)	1982 (%change)	1983 (%change)	1984 (%change)
8,000-11,400	8,200-10,200(-5)	8,000-9,600(-4)	7,800-9,200(-3)

In 1984, Colombia and Mexico accounted for a large percentage of the marijuana consumed in the United States. Of interest is the fact that between 1983 and 1984 Mexico became the second largest foreign supplier. Mexican traffickers have been expanding cultivation and improving growing techniques for the past three years and have the potential of becoming a very significant threat in the Southwest. In addition to international marijuana-trafficking organizations, a portion of the market is supplied by domestic cultivation.

Mexican drug trafficking organizations involved in the importation and distribution of heroin and marijuana will be addressed as one of the investigative priorities of the FBI's national drug strategy.

DANGEROUS DRUGS

The production and distribution of multipound quantities of dangerous drugs, and to a limited extent designer drugs, is a serious problem in the United States today. In response to this problem, dangerous drug investigations are a high priority for DEA. Information concerning dangerous drug trafficking and clandestine laboratories should be promptly furnished to DEA.

Given the limited resources of the FBI, marijuana and dangerous drug cases which routinely address a local problem will not be pursued. However, when major organized crime elements or major drug-trafficking groups are involved, these cases will be aggressively investigated.

FBI DRUG PROGRAM

RESOURCES

The availability and utilization of investigative resources in drug matters are particularly critical elements given that drug investigations are labor intensive. Quality drug investigations which target the highest levels of trafficking require extensive use of undercover operations, consensual monitorings, court-authorized wire intercepts, quality informants, qualified linguists (predominantly Spanish and Sicilian speakers), as well as other specialized techniques.

When the Bureau was given Title 21 jurisdiction in 1982, it was not allocated any additional investigative resources. Consequently, in order to meet this new investigative responsibility, the FBI had to divert resources from the traditional OC Program and other investigative programs such as White Collar Crime and General Crimes. The FBI presently has 43 DAWYs budgeted for drug matters within the OC Program and does not anticipate an additional allocation of resources in FYs 1986 and 1987.

The below chart depicts the diversion of investigative resources necessitated by the inclusion of the FBI in drug enforcement matters:

All figures represent DAWYs.

FY	OC	OC BURN		TOTAL
	TSL	Drug	Other	OC BURN
81	1052	75	1025	1100
82	1048	471	739	1210
83	1195	599	713	1312
84	1180	466	654	1122
85	1194	524	676	1200
86	1228			

Airtel to All SACs and LEGATs
RE: FBI NDS
Drug and Narcotics Matters

It was only in late 1982 when the OCDE Task Forces were created that the FBI was allocated additional investigative resources; however, these resources were earmarked specifically for Task Force matters. The FBI's commitment and response to the OCDE Task Force concept is illustrated by the consistent overburn in FYs 1984 and 1985.

FY	OCDE TSL	OCDE BURN	OC DRUG BURN	OTHER CID	TOTAL DRUG BURN
81			75		75
82			471		471
83	322*	185.5	599	77	861.5
84	322	549.7	466	60	1075.7
85	348	444.3	524	54	1022.3
86	349				

*TSL funded only for last six months FY 1983.

Bureau investigative "Specials" which require Agent support from other divisions are a good example of how drug investigations tax resources. In FY 1984, there were approximately 42 drug-related "Specials" which required 242 Agents to be detailed on temporary duty. In 1985, there were approximately 68 drug-related "Specials" and 407 Agents on temporary duty to other divisions. In FY 1986, as of 1/22/86, there have been 30 drug-related "Specials" which have required 123 Agents to be on temporary duty.

While many of the "Specials" have been addressing significant drug-trafficking organizations, a number of the "Specials" were directed against targets that had a local impact but little national significance. It is anticipated that with a clearer articulation of the FBI's NDS, the number of "Specials" can be reduced and/or consistently directed against targets of national significance.

FIELD OFFICE INVESTIGATIONS

When the FBI was given Title 21 jurisdiction, it focused its resources on drug investigations involving traditional OC families, nontraditional OC groups with violent propensities, ethnic OC groups having significant impact in an area of the country, financiers, and corrupt public officials. Pursuant to the establishment of these investigative priorities by FBIHQ, field offices were mandated to identify and investigate their most significant drug problem.

The response by the field to the newly acquired Title 21 jurisdiction was overwhelming. Smaller field divisions that heretofore had little opportunity to employ special investigative techniques, such as court-authorized wire communications intercepts or undercover operations, were doing so.

During this evolutionary period, FBIHQ applied a strong centralized management approach to drug investigations to ensure a system of quality control and to closely monitor resource commitments. Nevertheless, one of the anomalies that developed in the FBI's drug program was that field offices began developing their own drug strategies based on their localized needs.

A review of field office drug strategies indicates a wide range of investigative approaches. For example, 25 percent of the offices employ a "Drug to Organization" strategy. That is, they identify the main drug problem in their area and thereafter identify and target the major traffickers either local, national, or international that are responsible for the importation and/or distribution of the problem drug. Twenty percent of the offices employ an "Organization Regardless of Drug" strategy. That is, they target either LCN or non-LCN violence-prone OC groups regardless of whether or not the drug is a major problem in the area. Twenty-seven percent of the offices employ a "Local Impact" strategy. Their investigations are meant to address a localized problem. Ten percent of the offices employ a "Border-Smuggling" strategy. That is, they target importers based on the volume of drugs being imported.

Based on the experience that the FBI has gained in drug investigations over the past four years, it is now in a position to enumerate a more definitive drug strategy which will direct all investigative efforts toward a national objective.

FBI-DEA RELATIONSHIP

Over the past four years, the FBI and DEA have developed a close working relationship. In addition to the OCDETF cases, the FBI has over 300 joint drug investigations with DEA. The FBI-DEA relationship is based on the Implementation Directive of March 12, 1982, which defines specific roles for each agency. The recommended modifications to the FBI NDS do not alter these existing roles.

To further enhance FBI-DEA cooperation and integration, several initiatives have been taken to remove agency-to-agency differences. Common guidelines on informants, undercover activities, and investigations are being developed. This direction will continue with further integration stemming from common national strategies. Common strategies will enable investigators from each agency to work together to dismantle major drug trafficking organizations.

The proposed modification to the FBI NDS reinforces the integration of common strategies for the FBI and DEA. For example, DEA's FY 1988 Strategic Plan dated September 9, 1985, disclosed that three out of six operations in their planned strategy are directed against Colombian/South American trafficking organizations. The Plan also identifies Mexican drug trafficking organizations as an investigative priority. These priorities are consistent with those of the FBI NDS. Thus, DEA/FBI investigations can jointly work toward the same objectives.

The FBI has played a significant role in meeting the problem of drug trafficking in the United States. FBIHQ recognizes the enormous challenge posed by these major drug trafficking organizations and the noteworthy accomplishments already obtained. However, only through investigations directed at the highest level of these organizations can the FBI achieve a greater impact on this problem.

Manual changes to follow.

PERCENTAGE ALLOCATION
FEDERAL DRUG CROSSCUT (1984-1990)
(Budget Authority)

	1984 % of total	1985 % of total	1986 % of total	1987 % of total	1988 % of total	1989 % of total	1990 % of total
OFFICE OF NAT'L DRUG CONTROL POLICY/ FORFEITURE FUND	-0-	-0-	-0-	-0-	-0-	.1	2.7
INTERDICTION	38.2	37.8	33.6	34.8	26.0	26.3	22.5
INVESTIGATIONS	20.8	20.3	21.9	14.8	16.6	13.4	15.0
INTERNATIONAL	5.2	5.1	6.7	5.7	5.7	4.4	4.6
PROSECUTION	4.4	4.7	5.0	3.7	5.1	5.5	6.3
CORRECTIONS	7.3	9.1	10.8	8.6	13.7	13.6	15.2
INTELLIGENCE	1.7	1.6	1.6	1.1	1.5	.9	1.3
STATE & LOCAL ASSISTANCE	1.8	2.1	1.4	6.0	2.5	3.3	.5
RESEARCH & DEVELOPMENT	.5	.5	.5	.4	.6	.5	.5
REGULATORY & COMPLIANCE	1.3	1.2	.7	.5	.7	.7	.6
TOTAL SUPPLY	81.2	82.4	82.2	75.6	72.4	68.7	69.2
DRUG ABUSE PREVENTION	8.5	8.6	9.1	13.7	16.6	18.9	18.0
DRUG ABUSE TREATMENT	10.2	9.0	8.7	10.7	11.0	12.4	12.8
TOTAL DEMAND	18.8	17.6	17.8	24.4	27.6	31.3	30.8
TOTAL FEDERAL DRUGS	100.0	100.0	100.0	100.0	100.0	100.0	100.0

SOURCE OF DATA: OMB FEDERAL DRUG CROSSCUT, DATED 1/03/89

HISTORY OF DRUG ENFORCEMENT IN THE DEPARTMENT OF JUSTICE

DURING THE REAGAN ADMINISTRATION

1981-1990

(Dollars in thousands)

Organization	1981 Actual		1982 Actual		1983 Actual		1984 Actual		1985 Actual		1986 Actual		1987 Actual		1988 Actual		1989 Planned		1990 Request to Congress	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
DEA /1	4,053	$216,054	3,794	$239,077	3,868	$254,910	4,196	$291,901	4,413	$344,012	4,728	$372,354	5,081	$484,133	5,497	$491,376	5,661	$534,500	5,124	$546,181
FBI /2	141	8,256	929	40,207	1,470	136,873	1,790	99,319	1,893	103,888	1,735	102,453	1,795	97,117	2,139	138,968	1,867	129,273	1,349	91,319
CRM /3	42	1,640	33	1,939	26	1,846	35	1,960	35	2,686	37	2,726	39	3,291	134	9,371	147	10,707	123	10,148
TAX	...	...	...	...	18	804	14	838	29	1,620	30	2,020	32	1,951	34	2,216	32	2,200	22	800
USA	413	19,515	428	20,861	622	32,671	793	47,695	814	54,807	930	57,300	779	76,249	1,134	80,767	1,876	141,392	1,608	113,196
USMS	631	26,328	587	29,354	611	31,067	654	35,986	820	48,165	957	52,200	1,090	65,778	1,636	91,667	1,834	123,840	2,054	168,750
SUSP	...	5,894	...	7,953	...	13,168	...	16,631	...	19,535	...	21,055	...	27,852	...	53,375	...	58,353	...	79,398
FPS	2,041	79,676	2,082	99,365	2,197	116,484	2,295	120,915	3,016	178,803	4,108	221,667	4,050	304,168	4,911	416,562	5,670	576,445	6,992	668,171
PCOC	...	...	...	...	...	209	16	1,622	20	2,178	4	951	...	...	...	...	...	...	...	...
INS /4	8	266	9	296	11	377	13	486	16	539	120	6,500	679	31,200	852	70,040	1,346	109,200	1,163	90,235
OJP	2	4,503	2	4,386	3	8,841	3	7,449	3	12,910	4	19,900	23	242,600	43	96,600	60	182,865	51	16,838
INTERPOL	1	53	1	56	1	67	2	86	4	124	7	200	7	597	8	815	13	1,100	13	1,100
OIG	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	7	577	15	1,153
OCDE /5	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	2,117	176,605
Subtotal, Direct	7,332	362,185	7,865	443,494	8,827	595,297	9,811	624,888	11,063	769,267	12,660	859,326	13,575	1,334,936	16,188	1,449,517	18,511	1,870,452	20,631	1,961,894
AFF	...	...	...	...	...	...	...	...	...	2,400		42,832	...	119,736	...	160,538	...	326,000	...	337,729
Total	7,332	362,185	7,865	443,494	8,827	595,297	9,811	624,888	11,063	771,667	12,660	902,158	13,575	1,454,672	16,188	1,610,055	18,511	2,196,452	20,631	2,279,623

/1 Includes reimbursable FTE for DEA in its Foreign Cooperative Investigations program.

/2 Based on a 1987 reprogramming, the FBI adjusted its 1987 and 1988 resources for drug enforcement. The FBI has historically overburned personnel resources in the OCDE program. This accounts for the decrease in positions and FTE from 1988 actual to 1989 planned.

/3 The significant changes for CRM from 1987 are a result of inclusion of prosecution support and organized crime prosecution resources in the drug cross cut.

/4 During 1990, reductions to INS' base programs were necessitated to fund mandatory increases. Thus INS' commitment to drug law enforcement will be proportionately reduced in 1990.

/5 Does not include the anticipated $38.3 million and 626 FTE reimbursement to non-DOJ agencies in 1990.

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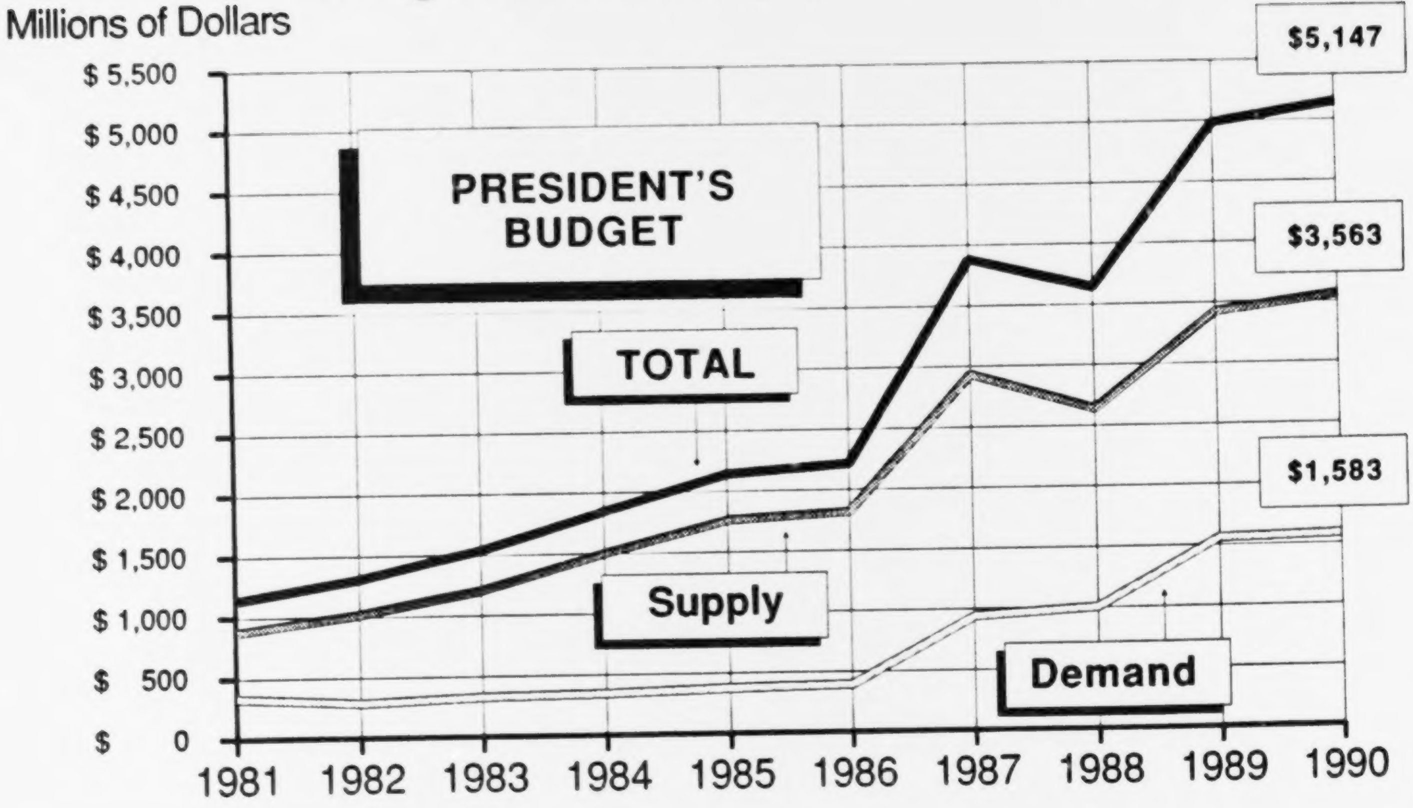
Federal Drug

Budget Authority (1981-1990)

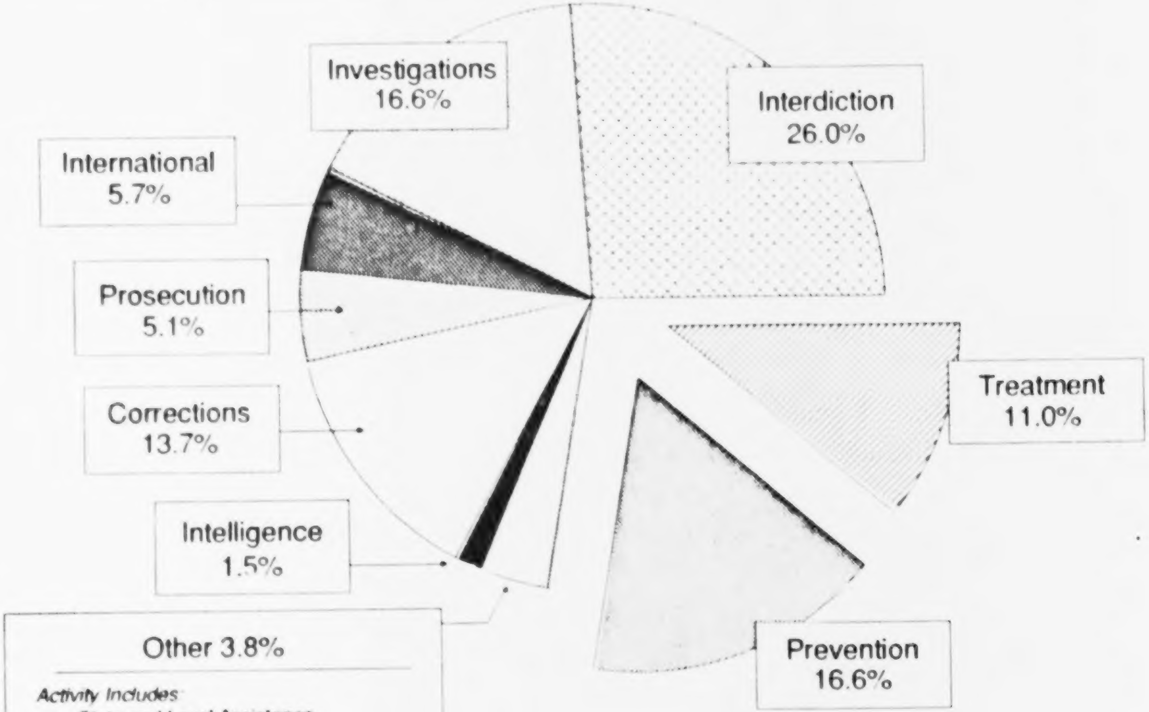


Source: Office of Management and Budget

best copy available

1988 Budget -- $3,640 Million

By Strategy Component



Other 3.8%

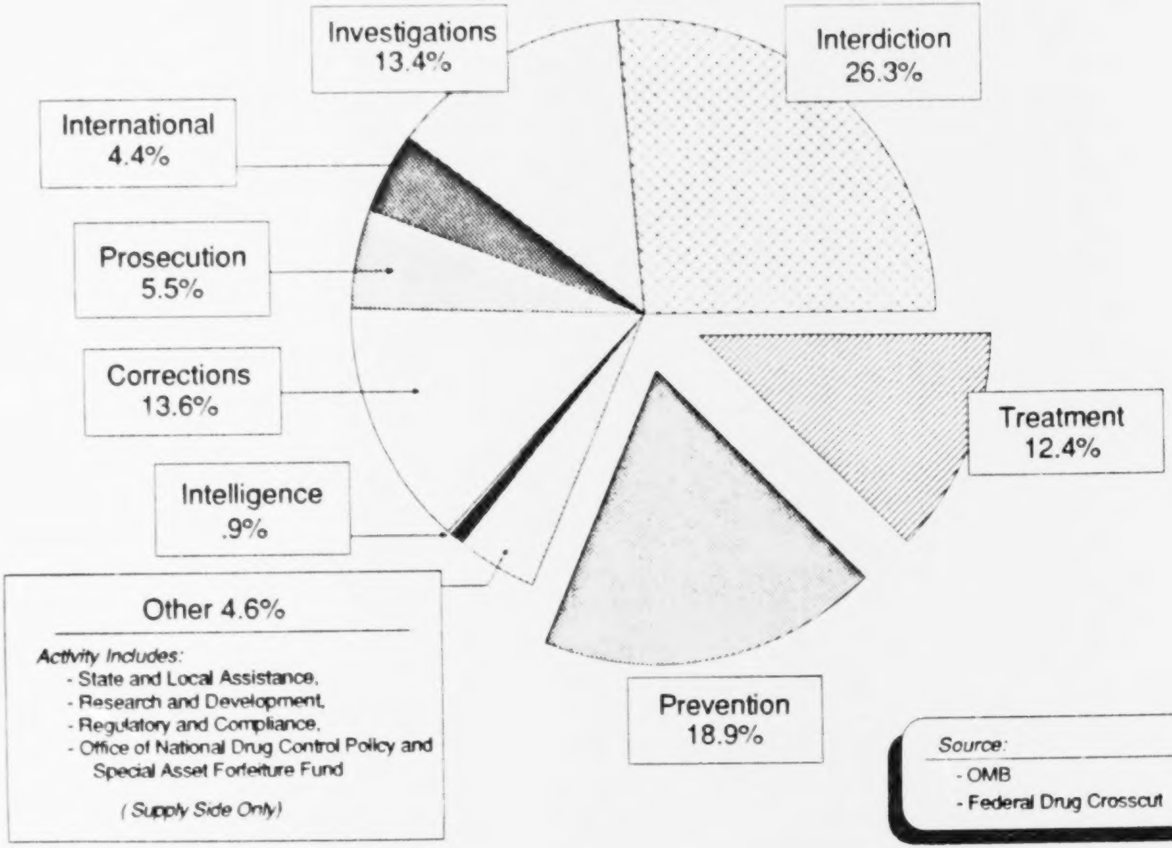
Activity Includes:
- State and Local Assistance,
- Research and Development,
- Regulatory and Compliance,

(Supply Side Only)

Source:
- OMB
- Federal Drug Crosscut

1989 Budget -- $4,983 Million

By Strategy Component



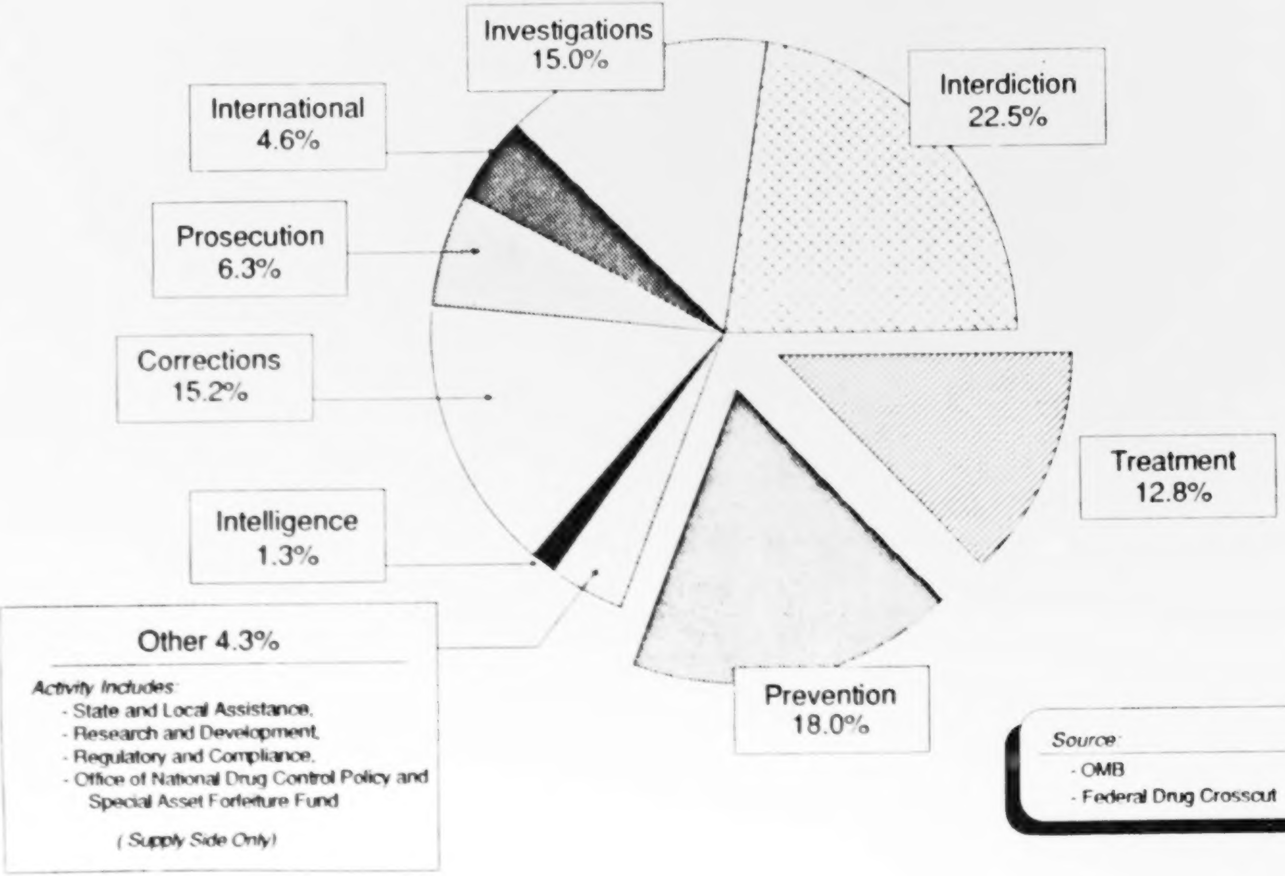
Activity Includes:
- State and Local Assistance,
- Research and Development,
- Regulatory and Compliance,
- Office of National Drug Control Policy and Special Asset Forfeiture Fund

(Supply Side Only)

Source:
- OMB
- Federal Drug Crosscut

1990 Budget -- $5,147 Million

By Strategy Component



Activity Includes:
- State and Local Assistance,
- Research and Development,
- Regulatory and Compliance,
- Office of National Drug Control Policy and Special Asset Forfeiture Fund

(Supply Side Only)

Source:
- OMB
- Federal Drug Crosscut

National Drug Enforcement Policy Board

National and International Drug Law Enforcement Strategy

DEPARTMENT OF TRANSPORTATION
UNITED STATES OF AMERICA
DEPARTMENT OF DEFENSE
VICE PRESIDENT OF THE UNITED STATES
DEPARTMENT OF HEALTH & HUMAN SERVICES USA
CENTRAL INTELLIGENCE AGENCY
UNITED STATES OF AMERICA
EXECUTIVE OFFICE OF THE PRESIDENT OF THE UNITED STATES
OFFICE OF MANAGEMENT AND BUDGET
DEPARTMENT OF STATE
UNITED STATES OF AMERICA
DEPARTMENT OF JUSTICE
QUI PRO DOMINA JUSTITIA SEQUITUR

January 1987

EXECUTIVE SUMMARY

NATIONAL DRUG ENFORCEMENT POLICY BOARD

NATIONAL AND INTERNATIONAL DRUG LAW ENFORCEMENT STRATEGY

January 20, 1987

Submitted to the Congress by the
National Drug Enforcement Policy Board
pursuant to Section 1304(a)(1) and
Section 1305 of the National Narcotics
Act of 1984 (21 U.S.C. §§1201-1204).

EXECUTIVE SUMMARY

CHAPTER V[illegible] : INVESTIGATION AND PROSECUTION

INTRODUCTION

The objective of the investigation and prosecution strategy is to immobilize drug trafficking organizations by incarcerating their members, seizing their drugs, obtaining drug-related asset forfeitures, and deporting alien traffickers. A successful investigation and prosecution strategy reduces drug trafficking and abuse, as well as related criminal activities such as money laundering, tax evasion, and corruption. Vigorous enforcement activities decrease or delay the supply and distribution of illegal drugs and deter other groups from entering the drug market. Effective enforcement also helps to reduce drug abuse and its associated social problems. A strong and determined program to investigate and prosecute drug traffickers reflects and supports the judgment of the American people that drug trafficking and abuse are intolerable.

CONSTRAINTS ON EFFECTIVENESS

As with every other element of this strategy, several factors constrain investigation and prosecution as a means of combatting drug trafficking. First, trafficking organizations take inordinate measures to maintain secrecy and therefore seldom become targets of Federal investigation until established distribution networks have delivered substantial amounts of drugs to drug abusers. Successful investigation and prosecution prevent future distribution, but cannot erase an organization's past contributions to the supply of drugs. This fact underscores the need for demand reduction programs to complement the investigation and prosecution portion of this strategy.

Second, a severe shortage of pretrial detention and prison space is a serious weakness in the overall criminal justice system and has become a major constraint on the efforts of investigators and prosecutors. In the last several years the number of arrested, convicted, and incarcerated drug traffickers has increased substantially, taxing Federal prison capacity and intensifying overcrowding concerns. In 1986, 37 percent of all Federal inmates were convicted drug offenders, up from 25 percent in 1980; the total number of inmates in 1986 was 41,361, 50 percent greater than the rated capacity of the Federal prison system. The Anti-Drug Abuse Act of 1986 (ADAA) authorizes major new funding for Federal prison system construction, salaries, and expenses. Even including new capacity provided for by the Act, however, initial projections of the future inmate population indicate that by 1993 the total Federal prison system inmate population will be approximately 93 percent greater than the System's rated capacity.

Continued and increased attention will be necessary to adequately strengthen this weak link in the drug law enforcement system. The President's 1988 Budget proposes significant new funding for alleviating prison overcrowding in addition to that provided in the ADAA, and reduces preliminary prison overcrowding estimates to 52 percent by 1993. Beginning with these new resources and existing Federal facilities, the Administration has designed and will implement long range expansion and building programs for both prison space and short-term detention facilities. The goal of this program, given the future prison population predicted above, will be to restrict the short-term incidence of overcrowding to no more than 50 percent of rated capacity.

Third, insufficient and inconsistent sentencing of Federally convicted drug traffickers has also constrained investigative and prosecutorial success. Short sentences, low bail, and probation for major drug traffickers not only affect the morale of nvestigators and prosecutors, but also diminish their effectiveness by allowing drug traffickers back on the street where they often continue their criminal activities.

Several provisions of the Anti-Drug Abuse Act are designed to address this problem. The Narcotics Penalties and Enforcement Act and the Controlled Substances Import and Export Penalties Enhancement Act (subsections of the ADAA) substantially increase the maximum penalties that may be imposed for offenses under relevant provisions of the Controlled Substances Act and Controlled Substance Import and Export Act, respectively. Other pertinent provisions of the ADAA include the Juvenile Drug Trafficking Act, which significantly enhances penalties applicable to individuals who employ persons under the age of 18 in drug trafficking activities, and the Drug Possession Penalty Act, which imposes mandatory penalties for offenses involving the simple possession of a controlled substance. The Policy Board expects that guidelines on sentencing and bail to be promulgated by the Sentencing Commission will reflect the toughened posture of these provisions of the Act.

Lastly, the need to protect sensitive sources and methods may restrict the use in a prosecution of information provided by the Intelligence Community. Law enforcement and intelligence agencies are exploring means to make effective use of intelligence in criminal actions while protecting the sources of such information from disclosure.

MEASURES OF EFFECTIVENESS

Two types of measures assess the effectiveness of the investigation and prosecution strategy. Overall effectiveness measures show the extent to which investigations and prosecutions have reduced drug trafficking and abuse. Performance indicators show how well investigations and prosecutions have been carried out.

Overall measures of effectiveness include data on drug consumption, estimates of drug production and supply, and intelligence information on drug trafficking organizations. These overall effectiveness measures rarely relate directly to investigations and prosecutions alone, or any other particular element of the enforcement strategy, because all strategy elements affect these data. Indeed, the individual elements of the strategy interact and reinforce one another, providing additional efficacy to drug supply reduction efforts.

In addition to quantitative data, intelligence derived from such sources as cooperating individuals and communication intercepts provide qualitative indicators of the disruption to drug trafficking that results from immobilizing major trafficking organizations. The perceptions of State and local law enforcement officials provide another barometer of effectiveness.

Investigation and prosecution strategy performance is also gauged by the number and quality of arrests and convictions, the amount of drugs confiscated, and the value of assets seized and forfeited. These performance measures mirror the principal objectives of drug law enforcement: to incarcerate drug traffickers; to remove drug contraband from the illicit market; and to remove drug-derived assets from drug traffickers.

ROLES OF U.S. AGENCIES

Because of the scope and complexity of the drug problem, many agencies contribute to the Federal effort to investigate and prosecute drug trafficking organizations. Effective drug law enforcement investigation and prosecution require the sustained efforts of the Federal agents who develop and carry out investigations, the prosecutors who provide legal advice and argue the government's case, the judicial system, and the Federal prison system.

As a result of Reorganization Plan No. 2 of 1973, the Drug Enforcement Administration (DEA) was established as the lead agency for drug investigations and intelligence. DEA is charged with managing the investigation and apprehension of major drug traffickers, preparing illicit drug cases for prosecution, and collaborating with Federal, State, and local law enforcement agencies on drug investigations. The Administrator of the DEA performs his functions under the general supervision of the Director of the Federal Bureau of Investigation, and reports through him to the Attorney General.

The Federal Bureau of Investigation (FBI) has concurrent jurisdiction delegated by the Attorney General, and shares a coordinated lead agency role with DEA on domestic investigative matters. The FBI focuses its drug investigative efforts against Colombian and South American traffickers, the LCN/Sicilian mafia, Mexican networks, and other organized criminal groups in the United States. The FBI uses its expertise in court-authorized electronic surveillance, financial flow investigations, and conspiracy cases in its drug-related investigations.

The United States Customs Service (Customs) and the Internal Revenue Service (IRS) have responsibility for the enforcement of the Bank Secrecy Act. IRS enforces that part of the Act concerning domestic transactions at financial institutions and foreign bank account reporting; Customs enforces that portion of the law concerning international transportation of negotiable monetary instruments. IRS and Customs often work jointly both on individual cases and in task force settings. At times these cases have developed into investigations of drug traffickers

APPENDIX A

AGENCY ROLES

Drug Enforcement Administration (DEA). The Drug Enforcement Administration is responsible for providing central leadership, management and coordination for intelligence and investigative functions to suppress trafficking in illicit drugs. DEA enforces Title 21 of the Controlled Substances Act and drug-related segments of other laws, and also participates in non-enforcement programs to reduce the demand for drugs.

DEA's responsibilities include:

- Investigating and apprehending major drug traffickers and immobilizing their organizations;
- Preparing illicit drug trafficking cases for prosecution;
- Providing assistance to foreign countries in developing law enforcement and other programs aimed at reducing the supply of illicit drugs;
- Regulating the legitimate manufacture and distribution of controlled substances;
- Providing narcotics related training to Federal, State, local, and foreign enforcement agencies;
- Managing a drug intelligence program that includes reporting systems for illicit drug production, drug trafficking, and drug abuse in the United States;
- Maintaining a system of performance indicators regarding all Federal illicit drug seizures; and
- Coordinating and cooperating in the above areas with appropriate Federal, State, and local enforcement agencies.

The Administrator of the DEA performs his functions under the general supervision of the Director of the Federal Bureau of Investigation, and reports through him to the Attorney General.

Federal Bureau of Investigation (FBI). The Federal Bureau of Investigation has had concurrent jurisdiction to investigate drug matters since 1982. The FBI's mission in drug law enforcement is to "endeavor to reduce the incidence of illegal drug trafficking and other criminal activity which drug trafficking generates in American society, through investigations conducted on a systematic, coordinated, and sustained basis." The FBI recently modified its drug strategy to focus investigative efforts and resources more clearly on those organized crime networks controlling significant segments of the illegal drug market. The majority of the FBI's resources allocated to the drug program are now devoted to investigations of the La Cosa Nostra/Sicilian Mafia, Colombian/South American trafficking organizations, and Mexican networks that are responsible for importing and distributing large quantities of cocaine and heroin into and throughout the United States. Cases are pursued with the twofold objective of neutralizing criminal networks and seizing illegal profits.

Because many organized crime investigations extend to foreign countries, the FBI has placed additional assistant legal attaches overseas to coordinate with foreign authorities in pursuing the ties between organized crime figures in the United States and other countries. These FBI legal attaches have also contributed to international money laundering investigations.

National Drug Control Strategy

Executive Summary

September 1989

National Drug Control Strategy

Executive Summary

Most Americans believe that illegal drugs represent the gravest present threat to our national well-being. The evidence reinforces this concern:

Crime. Fear of drugs and attendant crime are at an all-time high. Rates of drug-related homicide continue to rise — sometimes alarmingly — in cities across the country.

Health. The number of drug-related emergency hospital admissions increased by 121 percent between 1985 and 1988, as many as 100,000 babies are born each year to mothers who use drugs, and intravenous drug use is now the single largest source of new AIDS virus infections.

The Economy. A U.S. Chamber of Commerce estimate puts annual gross illegal drug sales at $110 billion — more than our total gross agricultural income, and more than double the profits enjoyed by the Fortune 500 companies combined.

Overseas. In many foreign nations the drug trade and drug inspired violence and corruption are causing serious social, economic, and political disruption. Trafficking threatens stability and democratic institutions.

However, there is also some positive news. Recently, the National Institute of Drug Abuse (NIDA) released the results of its National Household Survey on Drug Abuse — the first such national study since 1985. The survey found the number of Americans using any illegal drug on a "current" basis (i.e., at least once in the 30-day period preceding the survey) has dropped 37 percent: from 23 million in 1985 to 14.5 million last year.

The survey tells us that, despite the persistent widespread availability of illegal drugs, millions of Americans who once used them regularly appear to have given them up altogether. This and other surveys indicate that many others — young people for the most part — have chosen not to try drugs in the first place.

But the NIDA survey also found that "frequent" use of cocaine in any form (i.e., the number of respondents who report ingesting the drug one or more times each week) is up a shocking 33 percent since 1985. One word probably explains much of the intensifying drug-related chaos that we see every day: ***crack***.

There are really two drug wars to be fought. The first is against "casual" use of drugs, and that is being won. The other, much more difficult war is against addiction to cocaine, by far the most common dangerous drug of abuse. On this second front, increasingly located in our cities, the war is being lost — badly.

To win the drug war it is important first to come to terms with the drug problem in its essence: drug use. Drug use must be reduced, but it is necessary to be scrupulously honest about the difficulties that are faced and set reasonable goals and objectives. In addition, there must be created something that has never existed before: a comprehensive, fully integrated national drug control strategy — a strategy with particular emphasis on attacking the use of crack cocaine.

The Strategy lays out a coordinated plan of attack involving all basic anti-drug initiatives and agencies. Following the Introduction, seven chapters examine the "fronts" on which the drug war must be waged: Criminal Justice; Treatment; Education, Community Action, and the Workplace; International Initiatives; Interdiction; Research; and Intelligence. Each chapter is preceded by a summary of the recommendations contained therein.

Several Appendices are included within the Strategy. Quantified goals and measures of success, as required by Section 1005(b) of the Anti-Drug Abuse Act of 1988, are set forth in Appendix A. Also included are implementation plans (Appendix B), recommended State anti-drug legislation (Appendix C), high-intensity drug trafficking areas (Appendix D), a plan for improved automatic data processing and management among Federal drug agencies (Appendix E), and a list of individuals consulted in writing the Strategy (Appendix F).

Several fundamental themes underlie the Strategy, including:

- society has been too permissive of drug use;
- better coordination and management of government efforts is needed;
- State and local governments should adopt Federal principles of accountability as a model in developing their anti-drug strategies; and
- efforts should focus heavily on certain aspects of the problem, such as cocaine.

This is a truly national strategy. It calls upon all sectors of American society — private (individuals, educators, philanthropic organizations, businesses, the media, and religious, cultural, and community organizations) and public (Federal, State, and local governments) — to combat the drug problem.

What follows is a summary of the key priorities of the National Drug Control Strategy.

I. CRIMINAL JUSTICE

Overview

The absence of a significant risk of punishment for illegal drug activity is perhaps the single greatest hindrance to drug reduction efforts. More predictable, severe sanctions provided by the criminal justice system will be one of the most powerful forms of drug prevention. They will make it increasingly difficult to engage in any drug activity with impunity.

In order to be an effective deterrent, the criminal justice system must expand to accommodate more people at every point, from arrest through prosecution, release, and final supervision. This means more law enforcement officers, prosecutors, judges, courtrooms, and jails.

Priorities

- Increased Federal funding to States and localities for street-level drug law enforcement.
- Federal funding to States for planning, developing, and implementing alternative sentencing programs for nonviolent drug offenders, including house arrest and boot camps.
- Increased Federal funding for Federal law enforcement activities (including courts, prisons, prosecutors, and law enforcement officers); and additional resources targeted on Federal money laundering investigations.
- Vigorous prosecution of and increased fines for all misdemeanor State drug offenses.
- Expanded programs to eradicate the domestic marijuana crop.
- Adoption by the States of drug-testing programs throughout their criminal justice systems: for arrestees, prisoners, parolees, and those out on bail. Adoption of such programs will be a condition for receipt of Federal criminal justice funds.
- Funding through the Department of Housing and Urban Development to establish security systems for public housing projects, including tenant identification cards, guards, and security fences.
- Establishment of a Supply Reduction Working Group, chaired by the Office of National Drug Control Policy, to carry out the statutory requirement to "coordinate and oversee the implementation by National Drug Control Program agencies of the policies, objectives, and priorities" defined in the National Drug Control Strategy. This group will consider supply-related drug policy issues that are interdepartmental in nature. It will not deal with operational decisions or have line authority or responsibility.
- Revision of Federal drug agency personnel evaluation systems, where appropriate, to add a criterion for career advancement and reward that emphasizes cooperation among employees within and across various agencies.
- Strong encouragement for States to adopt policies revoking the drivers licenses of those convicted of a drug offense and recommendation of model drivers license revocation legislation to the States.

II. DRUG TREATMENT

Overview

Effective treatment is an important part of the overall strategy to reduce drug use. Millions of Americans need help to stop using drugs. Responsible and compassionate public policy requires that our nation's drug treatment capacity be increased.

Priorities

- Increased Federal funds for treatment in order to expand the number of treatment slots and the range of treatment methods available.
- Greater State, local, and individual treatment program accountability for effectiveness. Submission of State plans for treatment resource allocation and systemic improvements will be a condition for receipt of Federal treatment funds.
- Improved coordination among local treatment facilities so that treatment resources and availability match community needs, and so that drug users are referred to the most appropriate treatment provider.
- Improved coordination between treatment facilities and social, health, and employment agencies in order better to assist those drug-dependent persons who need services in addition to treatment. Under some circumstances, treatment facilities will be assisted in the development of their own programs in these areas.
- Increased funding of outreach programs and early treatment for expectant mothers who use drugs.
- State and private insurance company coverage of outpatient and other less intensive forms of treatment for drug use. A thorough review of Federal policy will be conducted to determine whether changes in Federal coverage are necessary.
- Exploration of ways to increase the use of civil commitment as a means to bring more drug dependent persons into the treatment system.
- Expanded and improved Federal information collection and research. Priority will be given to describing our current treatment

capacities and needs; evaluating treatment effectiveness for specific populations; and developing methods of treatment for cocaine and crack dependency, cocaine in combination with other substances, and individuals with both psychiatric and drug problems.

III. EDUCATION, COMMUNITY ACTION, AND THE WORKPLACE

Overview

The principal goal of prevention is to see that Americans, especially children, never start taking drugs. Prevention begins at the local level: at homes, in schools, and in the community.

The Federal government should galvanize public opinion to make it clear that illegal use of drugs is wrong and harmful. This includes support for community drug prevention efforts. Activities should be targeted at youth; in addition, individuals, parents, and employers must become involved in drug prevention and education.

Priorities

- Implementation of firm drug prevention programs and policies in schools, colleges, and universities. Such programs and policies will be a condition of eligibility for receipt of Federal funds.

- Development of model alternative school programs for youths with drug problems. Federal assistance to local education agencies will promote such development.

- Federal support for community-wide drug prevention efforts.

- Federal support for development of anti-drug media outreach activities that deal with the dangers of using illegal drugs — particularly crack — and with drug-impaired pregnancies.

- Creation of a national program to mobilize volunteer efforts to prevent the illegal use of drugs.

- Implementation of Executive Order 12564 to ensure a drug-free Federal workforce.

- Drug-free workplace policies in the private sector and State and local government, including clear penalties for drug use, and drug testing where appropriate.

- Establishment of a Demand-Reduction Working Group, chaired by the Office of National Drug Control Policy, to carry out the statutory requirement to "coordinate and oversee the implementation by National Drug Control Program agencies of the policies, objectives, and priorities" defined in the National Drug Control Strategy. This group will consider demand-related drug policy issues that are interdepartmental in nature. It will not deal with operational decisions or have line authority or responsibility.

IV. INTERNATIONAL

Overview

The international drug trade poses a serious threat to the welfare, economy, and national security of the United States. The principal foreign drug threats are cocaine, heroin, and marijuana. Programs are needed to deter and incapacitate international production and the trafficking organizations responsible for bringing these drugs into the United States. Other nations must be motivated to engage their resources and efforts to defeat international narcotics trafficking.

Priorities

- Disruption and dismantlement of drug-trafficking organizations.

- Reduced cocaine supply. Law enforcement, military, and economic assistance will be provided to the three Andean cocaine-producing countries to isolate major coca-growing areas; to block delivery of chemicals used for cocaine processing; to destroy cocaine hydrochloride processing labs; and to dismantle the trafficking organizations. Efforts in transit areas will be improved and Joint Intelligence Collection Centers will be created in the Caribbean Basin.

- Reduced heroin supply through efforts to convince other countries to exert influence on opium growers and reduce heroin processing and distribution.

- Reduced marijuana supply through strengthened foreign law enforcement and eradication, and through efforts to discourage minor producing nations from becoming major producers.

- U.S. assistance and encouragement for European community and multi-lateral efforts aimed at source country and transit country production and distribution, and at European consumption. European community support against international and regional drug organizations will be enlisted.

- Other international objectives:

  - Elevation of drugs as a bilateral foreign policy issue.

  - U.S. ratification of the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, along with other pending Mutual Legal Assistance Treaties. Other nations will be urged to ratify the Convention.

  - Support for the U.S. foreign aid certification process in order to achieve more effective supply- and transit-country compliance with American drug control objectives.

  - Bilateral and multi-lateral efforts against international money-laundering activities.

V. INTERDICTION

Overview

Effective interdiction is critical in the effort to reduce the flow of drugs. Interdicting illegal drug shipments and intercepting other resources is an important method of attacking the drug trade at home and abroad. Interdiction should focus not only on drug seizures, but also on creating serious personal and financial risk for trafficking organizations and their top level personnel.

Priorities

- Development of a comprehensive information-based approach to Federal air, maritime, land, and Port-of-Entry interdiction.

  - Upgraded intelligence support to interdiction, through intensified interdiction-specific investigations and undercover operations.

  - Enhanced computer support to interdiction through acceleration of machine readable documentation programs; installation of document machine readers at appropriate Ports of Entry; and development of the International Border Interdiction System (IBIS) and other computerized border information systems.

  - Creation of interagency/interdisciplinary teams to analyze and target smuggling modes, methods, and routes.

- Concentration on high-value individuals and shipments.
  - Review of existing methods for deterring air smugglers.
  - Improved operations aimed at money couriers and shipments.
  - Improved container inspection techniques and intelligence.

- Enhanced border systems, operations, and activities.
  - Dramatically reduced document fraud, especially fraudulent use of U.S. birth certificates and other "breeder documents."
  - Expanded use of drug detection dogs, anti-vehicle barriers, and container inspections.
  - Provision of automatic exclusion authority and general arrest authority to Immigration and Naturalization Service officers.
  - Improved detection and monitoring systems and secure operations procedures.
  - Expanded secure communications systems.

VI. RESEARCH

Overview

The quality of information, research, and technological capabilities available to implement drug control policies and programs must be improved. A more up-to-date and flexible data base is needed to refine and target drug control efforts. Technology must be developed and adapted to aid in law enforcement. More medical research is also needed into the causes of and treatment for drug addiction.

Priorities

- Establishment of a Drug Control Research and Development Committee involving directors of research and evaluation, and chief technology advisers to all appropriate drug supply and demand reduction agencies. This committee will:
  - Recommend to the Office of National Drug Control Policy policies and priorities for drug-related research and development;
  - Review, monitor, and coordinate Federal research, data collection, and evaluation activities;
  - Eliminate duplication and gaps in current data collection, and generate accurate and useful information on which to base national drug control policies; and
  - Assist agencies in effectively acquiring and using new technologies to prevent and treat drug use and to detect and suppress the flow of illegal drugs and related commodities.
- Better and more frequent data collection and analysis, including flexible, quick-response data collection instruments.
- Increased basic and clinical research on drug use and addiction.
- Development of new technologies or innovative adaptation of existing technologies for use against illegal drugs.
- Development of a comprehensive information base about "what works" in controlling drug use through support for public and private evaluation of drug enforcement, drug prevention, and drug treatment programs.
- Archived and disseminated information, research, and evaluation results through an appropriate mechanism that combines prevention, treatment, and criminal justice data.

VII. INTELLIGENCE

Overview

The war against drugs cannot be fought without comprehensive collection, analysis, and dissemination of critical information on drug production and trafficking. To target the traffickers' most vulnerable points, more information about the enemy must be obtained.

Priorities

- Increased intelligence efforts to concentrate on the infrastructure of trafficking organizations and their allied enterprises, particularly money laundering.
- Improved drug automation and information systems to allow swifter, better, and more cost-effective drug law enforcement, prosecutions, and interdictions.
- Sharing of intelligence developed in the course of investigations and intelligence operations, and dissemination of finished, analyzed intelligence to appropriate Federal law enforcement and intelligence agencies.
- Establishment of an interagency working group chaired by the Office of National Drug Control Policy to develop plans for an intelligence center to unite U.S. drug-related analytical capabilities, and to improve intelligence capabilities. Results will be presented to the appropriate Cabinet Council.

GOALS AND OBJECTIVES (APPENDIX A)

The Strategy includes comprehensive, research-based, long-range goals for reducing drug use as well as short-term measurable objectives. There are nine goals for reducing drug use in two stages of measurement: during the next two years and over the next ten years. Specific percentage reductions are proposed in the nine categories, including overall drug use, use of specific drugs, use by certain age groups, and overall supply reductions.

FEDERAL IMPLEMENTATION and RESOURCE REQUIREMENTS (APPENDIX B)

Overview

The National Drug Control Strategy recommends the largest dollar increase in the history of the drug war — nearly $2.2 billion, 39 percent above the Fiscal 1989 level. Key funding priorities for Fiscal Year 1990 are to:

- Increase assistance to State and local law enforcement;
- Expand resources for treatment and prevention programs;
- Initiate a major anti-drug campaign in the cocaine source countries;
- Establish order in the nation's public housing projects;
- Build more Federal prisons, expand Federal and State courts and correctional systems, and add more prosecutors;
- Step up efforts against money laundering operations;
- Expand our knowledge base about drugs and how to fight them through more research, data collection, and information sharing; and
- Provide sufficient resources to operate and maintain our border interdiction system.

The following priorities will be added in 1991 and 1992:

- Expand inter-agency drug task force operations;
- Augment drug intelligence capabilities;
- Strengthen the presence of the Border Patrol along the Southwest border;

- Help the police get people who are driving while under the influence of drugs off the highways; and
- Reduce the amount of marijuana cultivated on American soil.

Major changes over FY 1989 are:

Drug Resources, Fiscal Year 1990

Budget Authority (Millions of Dollars)

	FY1989 Enacted	Feb 9 Budget FY1990*	Feb 9 Budget Plus Drug Portion of Crime Bill**	Drug Strategy Sep FY1990**	FY89-FY90 % Increase	FY89-FY90 $ Increase
Corrections	734	894	1.601	1.601	118%	867
International	250	306	306	449	80%	199
State and Local Grants	150	150	156	350	133%	200
Judiciary	209	242	250	250	20%	41
Other Law Enforcement	2.779	3.018	3.058	3.113	12%	334
Prevention/Education	943	1.041	1.041	1.176	25%	233
Treatment	604	735	735	925	53%	321
Total	5.669	6.386	7.147	7.864	39%	2.195

* These columns include resources for the U.S. Court and make other minor adjustments to the figures presented in the "Building a Better America" document issued in February, 1989.

** These columns include the "drug portion" ($0.8 billion) of the President's $1.2 billion crime initiative announced in May, 1989. The Administration supports enactment of the crime initiative (The Comprehensive Crime Control Act of 1989) in its entirety.

The drug portion of prison construction is based on the projected share of drug offenders in Federal prison at the time the construction is completed. This new methodology reflects more accurately the likely impact of drug offenses. For consistency with prior years, the historical prison construction numbers have been adjusted to reflect this new methodology.

Anti-Drug Abuse Act of 1988

Resource Summary
(dollars in millions)

Department/Agency:	Budget Authority
DEA	$30.0
FBI	15.0
INS	26.2
U.S. Marshals Service	16.4
Support of U.S. Prisoners	16.4
USA's	39.0
OJP	90.0
BOP	95.6
General Legal Activities (.8-INTERPOL; 1.0-OCDE/AFF)	1.8
TOTAL DOJ	330.4
JUDICIARY:	
Salaries and Expenses	35.0
Defender Services	15.0
Fees and Expenses of Witnesses	1.0
TOTAL JUDICIARY	51.0
STATE DEPARTMENT:	
Salaries and Expenses	5.0
TRANSPORTATION:	
U.S. Coast Guard - Operating Expenses	16.0
Acquisition, Construction and Improvements	100.0
TOTAL USCG	116.0

	Budget Authority
TREASURY:	
ATF	7.0
U.S. Customs -	
Salaries and Expenses	8.5
Air Interdiction Program	7.0
Subtotal Customs	15.5
TOTAL TREASURY	22.5
Office of the Drug Czar	3.5
TOTAL SUPPLY	**528.4**
HEALTH AND HUMAN SERVICES:	
ADAMHA	283.0
Human Development Services (HDS) (National Youth Sports, Runaway Youth, and Youth Gangs)	33.0
FDA	5.0
TOTAL HHS	321.0
EDUCATION:	
Drug Free School Grants	100.0
Drug Abuse Teacher Training	7.0
Early Childhood Materials	1.0
TOTAL EDUCATION	108.0
LABOR:	
Employee Assistance Programs	2.0
ACTION	2.0
TOTAL DEMAND	**433.0**
TOTAL FEDERAL DRUGS	961.4